

5 CLOSED
STACKS



GOVERNMENT INFORMATION CENTER
SAN FRANCISCO PUBLIC LIBRARY

SAN FRANCISCO
PUBLIC LIBRARY

REFERENCE
BOOK


Not to be taken from the Library

MC 1 2 2000

SAN FRANCISCO PUBLIC LIBRARY



3 1223 05718 2918



Digitized by the Internet Archive
in 2013

SF
S90.25
#1
9/2/92

CALENDAR

SF
MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, SEPTEMBER 2, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

MEMBERS: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.
 - (a) File 25-92-27. [Contracting Out City Services] Resolution concurring with the Controller's certification that intake and shelter services to status offenders can be practically performed for lower cost than similar work services performed by City and County employees. (Juvenile Probation Department)
 - (b) File 38-92-23. [Gift - Private] Resolution authorizing the Department of Public Health, Laguna Honda Hospital and Rehabilitation Center, to accept and expend a gift valued at \$15,908 from Ramco Equipment for use by plant services employees to maintain and improve the quality of life for hospital's residents; providing for ratification of action previously taken. (Department of Public Health)
 - (c) File 94-92-6. [Grant - State Funds] Resolution authorizing the Public Utilities Commission to apply for, accept and expend \$14,788,500 from 1993-94 State Transit Capital Improvement funds and \$14,788,500 from local match funds to provide financing for the Nine Municipal Railway Guideway Projects. (Public Utilities Commission)

- (d) File 94-92-7. [Grant - Federal Funds] Resolution authorizing the Public Utilities Commission to apply for, accept and expend \$7,574,454 in Federal Section 9 Operating Assistance, \$25,000,000 of Federal Section 3 Fixed Guideway Capital Assistance, \$4,974,542 of Federal Section 9 Capital Assistance, \$12,400,000 of Federal Surface Transportation Program/Congestion Management Air Quality Capital Assistance, and \$10,530,276 from various local match sources such as from State Transit Capital Improvement funds, State Urban Rail Bond funds, State Clean Air and Transportation Improvement Act Bond funds, Regional Local Match funds such as State Transit Assistance funds, Transportation Development Act funds, Bridge Toll Net Revenues, Regional Measure One funds, Gas Tax Revenues, Transit Impact Development fees, San Francisco Municipal Railway Improvement Corporation funds, the San Francisco County Sales Taxes, Port of San Francisco funds, and/or Catellus Corporation funds for seven Municipal Railway Projects. (Public Utilities Commission)
- (e) File 141-92-2.1. [Grant Private Funds] Resolution authorizing the San Francisco Juvenile Probation Department to accept and expend grant monies from the San Francisco Foundation (\$30,000) and Kaiser Family Foundation (\$25,000) for the development of a multi-disciplinary assessment instrument, classification system and workload study; waiving indirect cost; companion measure to File 141-92-2. (Juvenile Probation Department)
- (f) File 146-92-61. [Grant - State Funds] Resolution authorizing the Department of Public Health, to apply for, accept and expend a grant allocation of up to \$12,414,697, for Fiscal Year 1992-93 funding from State Department of Health Services for California Healthcare for Indigents Program (CHIP) funds, which includes indirect costs in the amount of \$150,804 based on 39.93 percent of salaries or 1.658646 percent of County Hospital and other Health Services CHIP allocations. (Department of Public Health)
- (g) File 146-92-62. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, AIDS Office, to apply for, accept and expend a supplemental grant of \$59,647, which includes indirect costs of \$6,461 based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to supplement the AIDS Surveillance Project; providing for ratification of action previously taken. (Department of Public Health)
- (h) File 146-92-63. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, Community Public Health Service, Department of Epidemiology and Disease Control, STD Control Division, to accept and expend an augmentation grant of \$321,540, which includes indirect costs of \$34,072, based on twenty percent of personnel salaries, from the Centers for Disease Control for the provision of STD Services. (Department of Public Health)
- (i) File 146-92-64. [Grant - State Funds] Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a continuing allocation of \$3,000,000, from the California Department of Health Services, to continue funding the AIDS Drug Program; waiving indirect costs. (Department of Public Health)

- (j) File 146-92-65. [Grant - Private and State Funds] Resolution authorizing the Department of Public Health, as subgrantee, in collaboration with the State Department of Mental Health, Children, Youth and Families Branch, as primary grantee, to accept and expend a two year extension grant from the Robert Wood Johnson Foundation of \$475,569 with \$1,060,000 of matching funds from the primary grantee for a total of \$1,535,569, which includes indirect costs in the amount of \$133,776 based on nine percent of salaries and other allowable costs, from the Robert Wood Johnson Foundation and indirect costs of ten percent from the State Department of Mental Health for the provision of a system of care for children and youth who are seriously emotionally disturbed and their families; companion measure to File 146-92-17. (Department of Public Health)

ACTION:

REGULAR CALENDAR

2. File 97-92-35. [Telecommunications Facilities] Ordinance amending Administrative Code by adding Chapter 22B to assign responsibility to the General Manager of the Department of Electricity for designing an improved telecommunications program for departments, boards, and commissions of the City and County; General Manager to provide detailed action plan to Board of Supervisors. (Supervisor Gonzalez)
(Transferred from City Services Committee 8/4/92 - Fiscal Impact)
(Cont'd from 8/19/92)

ACTION:

3. File 100-92-5. Hearing to consider the impact of State budget cuts on the revenue of the City and County of San Francisco. (Supervisor Migden)
(Continued from 8/26/92)

ACTION:

4. File 291-92-1. Hearing to consider all special funds currently administered by the Controller. (Supervisor Migden)

ACTION:

5. File 172-92-10. [Contract] Ordinance authorizing the Chief Probation Officer of the Juvenile Probation Department to renew a contract with California Youth Authority for diagnostic and treatment services and temporary detention not to exceed ninety days; providing for ratification of action previously taken. (Juvenile Probation Department)

ACTION:

6. File 82-92-7. [Acceptance of Deed - Sewer Easement] Resolution accepting a deed from Nihonmachi Parking Corporation to a sewer easement in Assessor's Block 686; and adopting the finding pursuant to City Planning Code Section 101.1. (Real Estate Department)

ACTION:

7. File 74-92-1. [Tax Rate Setting] Ordinance providing revenue and levying taxes for City and County purposes for the Fiscal Year ending June 30, 1993. (Controller)

ACTION:

8. File 74-92-2. [Tax Rate Setting] Ordinance providing revenue and levying taxes for San Francisco Unified School District purposes for the Fiscal Year ending June 30, 1993. (Controller)

ACTION:

9. File 74-92-3. [Tax Rate Setting] Ordinance providing revenue and levying taxes for San Francisco Community College District purposes for the Fiscal Year ending June 30, 1993. (Controller)

ACTION:

10. File 101-92-2.2. [Government Funding] Ordinance amending the Annual Appropriation Ordinance for Fiscal Year 1992-93, File No. 101-92-2, Ordinance No. 249-92, giving effect to revenue changes pursuant to Charter Section 6.208 and adjusting appropriations to meet the requirements of the Art Commission and the Airport pursuant to Charter Section 6.400, as a pre-requisite to levy a tax pursuant to Charter Section 6.208. (Controller)

ACTION:

FINANCE COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CA 94102

IMPORTANT
HEARING NOTICE

90.25
7
2/92
CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 31, 1992

TO: Finance Committee

FROM: Budget Analyst

SUBJECT: September 2, 1992 Finance Committee Meeting

DOCUMENTS DEPT.

Item 1a - File 25-92-27

SEP 2 1992

SAN FRANCISCO
DOCUMENTS DEPT.

Department: Juvenile Probation Department

Proposed Action: Resolution concurring with Controller's Certification that intake and shelter services to status offenders can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

Services to be Performed: Shelter, Intake and Central Receiving Facility Services. This contract is for shelter, intake and central receiving facility services for Status Offenders such as runaway youths and youths uncontrollable by parents. The services include family counseling and provision of shelter.

Description: The Controller has determined that contracting for these services in fiscal year 1992-93 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
--	-----------------------	------------------------

City Operated Services Costs

Salaries and Fringe Benefits	\$755,233	\$1,080,714
Operating Expenses	<u>151,440</u>	<u>151,440</u>
Total	\$906,673	\$1,232,154

	<u>Lowest Salary Step</u>	<u>Highest Salary Step</u>
<u>Contract Service Costs</u>		
Contract Cost	\$561,600	\$561,600
City Probation Officers to Assist Contractor	<u>81,027</u>	<u>115,966</u>
Total	\$642,627	\$677,566
<u>Estimated Savings</u>	\$264,046	\$554,588

Comments:

1. Shelter, Intake and Central receiving facility services were first certified as required by Charter Section 8.300-1 in 1984 and have been continuously provided by an outside contractor since that time.
2. The Juvenile Probation Department has exercised an option to continue its contract with Youth Advocates, Inc. for the provision of shelter, intake and central receiving facility services, for 1992-93. The Contracted Service Cost used for the purpose of this analysis was an informal quote from Youth Advocates, Inc. based on 1991-92 costs.
3. The Controller's supplemental questionnaire, with the Department's responses, including the MBE/WBE status of this contract, is attached.

Recommendation: Approve the proposed resolution.

CHARTER 8.300-1 (Proposition J) QUESTIONNAIREDepartment Juvenile CourtContract Services Shelter and Intake for Status OffendersFor the term starting approximately July 1, 1992 through June 30, 1993

- 1) Who performed services prior to contracting out?

Juvenile Hall Counselors:

3 - 8316 Assistant Counselor 7 - 8320 Counselor, Juvenile Hall

1 - 8318 Counselor II

- 2) Number of City employees laid off as a result of contracting out?

None. Eleven positions were cut from budget, but no permanent staff were laid off.

- 3) Explain disposition of employees if they were not laid off.

Permanent employees moved to positions in other parts of Juvenile Hall formerly filled by on-call staff.

- 4) What percent of a City employee's time is spent on services to be contracted out?

Juvenile Hall Counselors:

100% 1 - 8318 Counselor II 100% 10 - 8320 Counselor, Juvenile Hall

100% 2 - 8320 Relief Counselor

- 5) How long have the services been contracted out?

The contract with Youth Advocates for Central Receiving Facility was entered into by Juvenile Probation on February 1, 1984. That contract was expanded to include Shelter and Intake for status offenders April 1, 1989.

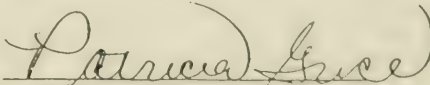
- 6) When was the first fiscal year for a Proposition J certification?

The first fiscal year for the Central Receiving Facility contract was 1983/1984. The first fiscal year for the expanded contract was 1988/1989.

- 7) How will contract services meet the goals of your MBE/WBE Action Plan?

Extensive outreach was accomplished at the Request for Qualifications stage seeking potential MBE/WBE providers.

Youth Advocates is a non-profit agency so it does not fall within the purview of MBE/WBE goals.


Department Representative

753-7560

Telephone

Item 1b - File 38-92-23

Department: Department of Public Health (DPH),
Laguna Honda Hospital (LHH)

Item: Resolution authorizing the Department of Public Health, Laguna Honda Hospital and Rehabilitation Center (located on hospital grounds), to accept and expend a gift valued at \$15,908 from Ramco Equipment for use by plant services employees to maintain and improve the quality of life for the hospital's residents, and providing for ratification of action previously taken.

Description: The DPH reports that Ramco Equipment has donated a gift of equipment valued at \$15,908, to the LHH. The gift consists of the following items:

<u>Item</u>	<u>Value</u>
Vertical/Horizontal Band Saw (1)	\$4,980
Vertical/Horizontal Coolant Assembly Pump (1)	277
Vertical/Horizontal Saw Blade (1)	12
50-Ton Heavy Duty Press (1)	4,210
50-Ton Heavy Duty Press Kit (1)	315
6,000-lb Mobile Shop Hand Hoist (1)	3,360
1,000-lb Sidervender Hydraulic Truck Bid Hoists (2)	2,500
6" All-Steel Vises (2)	<u>254</u>
Total	\$15,908

The gift has already been received by the LHH and the equipment items are currently in storage, pending the Board of Supervisors approval of the proposed legislation.

Comments: 1. The LHH reports that the Vertical/Horizontal Band Saw, Coolant Assembly Pump and Saw Blade would be used to fabricate hospital equipment parts that are no longer available, thus increasing the life of existing equipment. It would also allow LHH to make parts that are needed for immediate use so as to limit the downtime of patient care equipment. The 50-Ton Heavy Duty Press would be used to facilitate the removal and installation of bearings from shafts of various hospital equipment and patient wheelchairs. The LHH advises that the use of a heavy duty press reduces installation and removal times and increases the life of the newly installed bearing. The one 6,000-lb Hand Hoist and two 1,000-lb Hydraulic Truck Hoists would be used to transport machinery to and from the Hospital's maintenance shop. Repairs made in the shop instead of the field would reduce

the downtime of the equipment. The Steel Vises would be used to repair equipment in the machine shop.

2. Mr. Steve Tessier of the LHH reports that Ramco Equipment, a North Carolina based company, participated in a local trade show and made the decision to donate the equipment from the show to various public agencies for public relations and goodwill purposes, and to avoid shipping and handling costs to return the equipment to the company base.

3. Mr. Tessier advises that any cost to repair this equipment would be absorbed in the LHH's ongoing maintenance budget.

Recommendation: Approve the proposed resolution.

Item 1c - File 94-92-6

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Resolution to authorize the Public Utilities Commission (PUC) to apply for, accept and expend funds from the 1993-94 State Transit Capital Improvement funds and local match funds to provide financing for nine Municipal Railway Guideway Projects.

Grant Amount:	State Transit Capital Improvement funds	\$14,788,500
	Local Match Program Funds	<u>14,788,500</u>
	Total	\$29,577,000

Local Match: (See Project Budget)

Grant Period: July 1993 through June 1997

Project Budget:

<u>Project</u>	<u>1993-94 Request</u>		
	<u>State Funds</u>	<u>Local Match</u>	<u>Total Request</u>
MUNI Metro Turnback	\$1,045,000	\$1,045,000 (1)	\$2,090,000
Articulated Diesel Bus Rehabilitation	985,000	985,000 (1)	1,970,000
Trolley Bus Purchase	1,870,000	1,870,000 (1)	3,740,000
14-MISSION Trolley Overhead Rehab.	628,000	628,000 (1)	1,256,000
Metro Accessibility Improvements	146,500	146,500 (1)	293,000
Metro East Light Rail Vehicle Facility	5,000,000	5,000,000 (1)	10,000,000
Cable Car Vehicle Renovation	64,000	64,000 (2)	128,000
Historic Streetcar Renovation	50,000	50,000 (2)	100,000
New Generation LRV Purchase	<u>5,000,000</u>	<u>5,000,000 (1)</u>	<u>10,000,000</u>
Total	\$14,788,500	\$14,788,500	\$29,577,000

(1) Transportation Sales Tax provides funds to build transportation capital improvements, to rehabilitate existing facilities and fund operations of the new facilities. The sales tax will generate over \$45 million annually over the next eighteen (18) years to support transportation needs in the City.

(2) Bridge Toll and Regional Measure One Bridge Toll Revenues are distributed by the Metropolitan Transportation Commission (MTC) for transit capital projects.

Description: MUNI Metro Turnback - Construction of the MUNI Metro subway tunnel extension east of the BART/MUNI Embarcadero Station and under Justin Herman Park, coming to grade through a portal in the median of a rebuilt Embarcadero Boulevard.

Articulated Diesel Bus Rehabilitation - The phased rehabilitation of MUNI's articulated diesel coaches to extend the useful life beyond the standard of twelve years. Starting in 1992-93, twenty-five (25) trolley coaches will be rehabilitated each year.

Trolley Bus Purchase - This project includes the phased replacement of 345 trolley coaches for the Municipal Railway. The final fleet mix is planned to be 213 articulated and 100 standard trolley coaches.

14-MISSION Trolley Overhead Rehabilitation - This project includes the replacement of worn overhead, underground and surface components on the Municipal Railway's 14-MISSION trolley coach lines.

Metro Accessibility Improvements - Additional accessibility improvements for the surface and underground operation of the MUNI Metro Light Rail Vehicle (LRV) service. The project includes the design and construction of accessibility improvements to aid the physically challenged MUNI riders.

Metro East Light Rail Vehicle Facility - This project includes the acquisition of a site, the design and construction of a new Light Rail Vehicle (LRV) facility for the Municipal Railway. This new facility would relieve crowding at existing facilities and provide storage and maintenance space for expanded LRV service.

Cable Car Vehicle Renovation - This is an on-going capital improvement program to renew the Municipal Railway's historic Cable Car fleet through a major rebuilding of roughly two cable cars per year.

Historic Streetcar Renovation - Capital improvement program to extend lives of existing Municipal Railway's historic streetcars.

New Generation Light Rail Vehicle (LRV) Purchase - A continuation of the phased vehicle purchase of 170 new generation LRVs.

Indirect Costs: The PUC has included an amount of \$651,675 in the grant request to cover Department and City-wide overhead costs.

Comments: 1. The total \$29,577,000 in State and local match funds is divided into seven phases among the nine listed projects as follows:

In House Project Engineering/Construction Management

MUNI Metro Turnback	\$ 65,312
Articulated Diesel Bus Rehabilitation	113,654
Trolley Bus Purchase	215,769
14-MISSION Trolley Overhead Rehabilitation	157,000
Metro Accessibility Improvements	91,563
Metro East Light Rail Vehicle Facility	312,500
Cable Car Vehicle Renovation	7,483
Historic Streetcar Renovation	5,846
New Generation LRV Purchase	<u>576,923</u>
Total	\$1,546,050

Professional Services

MUNI Metro Turnback	\$ 313,500
Articulated Diesel Bus Rehabilitation	147,750
Trolley Bus Purchase	280,500
Metro Accessibility Improvements	146,500
Metro East Light Rail Vehicle Facility	1,500,000
New Generation LRV Purchase	<u>750,000</u>
Total	\$3,138,250

Construction

MUNI Metro Turnback	\$1,672,000
14-MISSION Trolley Overhead Rehabilitation	<u>1,004,800</u>
Total	\$2,676,800

Equipment Purchases

Trolley Bus Purchase	\$ 3,179,000
New Generation LRV Purchase	<u>8,500,000</u>
Total	\$11,679,000

Contract Equipment Rehabilitation

Articulated Diesel Bus Rehabilitation	<u>\$1,674,500</u>
Total	\$1,674,500

In-House Equipment Rehabilitation

Cable Car Vehicle Renovation	\$88,832
Historic Streetcar Renovation	<u>69,400</u>
Total	\$158,232

Parts - Term Purchase Agreements

Cable Car Vehicle Renovation	\$29,440
Historic Streetcar Renovation	<u>23,000</u>
Total	\$52,440

Right-of-Way Purchase

Metro East Light Rail Vehicle Facility	\$8,000,000
Total	\$8,000,000

Indirect Costs

MUNI Metro Turnback	\$ 39,187
Articulated Diesel Bus Rehabilitation	34,096
Trolley Bus Purchase	64,731
14-MISSION Trolley Overhead Rehabilitation	94,200
Metro Accessibility Improvements	54,938
Metro East Light Rail Vehicle Facility	187,500
Cable Car Vehicle Renovation	2,245
Historic Streetcar Renovation	1,754
New Generation LRV Purchase	<u>173,077</u>
Total	\$651,728

Summary Total	<u>\$29,577,000</u>
---------------	---------------------

2. Ms. Gail Bloom of the PUC Finance Bureau advises that the PUC has already selected prime and sub-contracting firms for the professional services the MUNI Metro Turnback, Metro East Light Rail Vehicle Facility and New Generation LRV Purchase projects. The prime and sub-contractors with percentages of MBE/WBE/LBE participation for these projects are as follows:

	<u>Percent Participation</u>
MUNI Metro Turnback	
Prime - Bechtel National, Inc.	61.3
Alagia-Crosby Engineers (MBE)	5.5
Geo/Resources Consultants, Inc. (MBE)	11.8
John Warren (MBE)	2.0
PGH Wong Engineering, Inc. (MBE)	1.0
Don Todd Associates (MBE)	4.6
Interpacific Technologies (MBE)	8.4
Kaye Bernstein & Assoc. (WBE)	3.4
Public Affairs Management (WBE)	1.0
Quasar Engineering, Inc. (WBE)	<u>1.0</u>
Total	100.0

BOARD OF SUPERVISORS
BUDGET ANALYST

Percent
Participation

Metro East Light Rail Vehicle Facility

Prime - Parsons, Brinckerhoff, Quade and Douglas, Inc.	60.1
Baseline Environmental (WBE)	1.7
Booz-Allen & Hamilton	2.4
Chandhary & Assoc., Inc. (MBE)	4.2
Don Todd (MBE)	2.6
Geotechnical Consultants, Inc. (MBE)	7.7
Jonas & Associates (WBE)	1.4
Manna Consultants (MBE)	2.5
Morrison-Knudsen Engineers	2.7
Nelson/Nygaard (WBE)	4.0
Outside Reviewers	0.7
Public Affairs Management (WBE)	3.4
Toronto Transit Consultants	0.6
J. Warren & Associates (MBE)	1.2
Wilson, Ihrig & Associates	1.5
R. Wong (MBE)	<u>3.3</u>
Total	100.0

New Generation LRV Purchase

Prime - Booz-Allen & Hamilton	66.9
Acex Technologies (MBE)	5.3
Don Todd Associates (MBE)	20.4
Transit Performance Engineering (WBE)	<u>7.4</u>
Total	100.0

3. Ms. Bloom also advises that PUC has completed a Request for Qualifications (RFQ) process for the selection of a contractor for the construction of the MUNI Metro Turnback project (total construction cost of \$1,672,000 in this legislation). At the present time, PUC has determined that five of the nine contractors have the necessary qualifications to participate in a Request for Proposal (RFP) which is pending.

4. Mr. Wilbert Taylor of the PUC Finance Bureau advises that the PUC has not begun their process to develop a Request for Proposal (RFP) for certain project phases including Professional Services, Construction, Equipment Purchases/Equipment Rehabilitation totaling \$16,605,050 as follows:

Professional Services		
Articulated Diesel Bus Rehabilitation	\$147,750	
Trolley Bus Purchase	280,500	
Metro Accessibility Improvements	<u>146,500</u>	
Subtotal		\$ 574,750
Construction		
MUNI Metro Turnback	\$1,672,000	
14-MISSION Trolley Overhead Rehab.	<u>1,004,800</u>	
Subtotal		2,676,800
Equipment Purchases		
Trolley Bus Purchase	\$ 3,179,000	
New Generation LRV Purchase	<u>8,500,000</u>	
Subtotal		\$11,679,000
Equipment Rehabilitation		
Articulated Diesel Bus Rehabilitation	<u>1,674,500</u>	
Subtotal		<u>1,674,500</u>
Total		\$16,605,050

5. Mr. Taylor also advises that the current MBE/WBE/LBE goal for MUNI capital projects for FY 1991-92 is 32 percent and, through the third quarter, the actual amount in MBE/WBE/LBE contracts is 31 percent, one percent lower than their stated goal.

Recommendation: Reserve \$16,605,050 for professional services (\$574,750), for construction (\$2,676,800), for equipment purchase (\$11,679,000), and for equipment rehabilitation (\$1,674,500) as identified in Comment 4 above, pending identification of the contractors, the MBE/WBE/LBE status of the contracts and the contract cost details.

Approve the proposed resolution as amended.

Item 1d - File 94-92-7

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Resolution authorizing the Public Utilities Commission (PUC) to apply for, accept, and expend Federal Section 9 Operating Assistance, Federal Section 3 Fixed Guideway Capital Assistance, Federal Section 9 Capital Assistance, Federal Surface Transportation Program/Congestion Management Air Quality Capital Assistance, and various local and regional match sources such as State Transit Capital Improvement funds, State Urban Rail Bond funds, State Clean Air and Transportation Improvement Act Bond funds, State Transit Assistance funds, Transportation Development Act funds, Bridge Toll Net Revenues, Regional Measure One funds, Gas Tax Revenues, Transit Impact Development fees, San Francisco Municipal Railway Improvement Corporation funds, the San Francisco County Sales Taxes, Port of San Francisco funds, and/or Catellus Corporation funds for six Municipal Railway Capital Projects and a subsidy of funds for the operation of the Municipal Railway.

Grant Amount:	Federal Funds	\$49,948,996
	Match from local and regional match sources (as identified above)	<u>10,530,276</u>
	Total	\$60,479,272

Grant Period: October 1992 through September 30, 1995 (Federal FY's)

Source of Funds:	Federal Section 9 Operating Assistance	\$ 7,574,454
	Federal Section 3 Fixed Guideway Capital Assistance	25,000,000
	Federal Section 9 Capital Assistance	4,974,542
	Federal Surface Transportation Program/ Congestion Management Air Quality Capital Assistance	<u>12,400,000</u>
	Total Federal Grant Funds	\$49,948,996

Local Match (PUC will identify the specific sources of funds at a later time from the above list of local and regional sources)	<u>10,530,276</u>
Total Funds	\$60,479,272

Project Budget:

<u>Project</u>	<u>1992-93 Request</u>		
	<u>Federal Funds</u>	<u>Local Match</u>	<u>Total Request</u>
<u>Capital Projects (80/20 Federal/Local Funding)</u>			
MUNI Metro Turnback	\$33,800,000	\$8,450,000	\$42,250,000
14-MISSION Reconstruction	3,186,852	796,713	3,983,565
MUNI Metro Accessibility	412,000	103,000	515,000
Cable Car Vehicle Rehabilitation	514,000	128,500	642,500
Metro East/Illinois Street Bridge	3,600,000	900,000	4,500,000
<u>Capital Projects (85/15 Federal-/Local Funding)</u>			
Trolley Coach Replacement	861,690	152,063	1,013,753
<u>Operating Assistance</u>	<u>7,574,454</u>	<u>0</u>	<u>7,574,454</u>
Total	\$49,948,996	\$10,530,276	\$60,479,272

Description: MUNI Metro Turnback - This project allows the capacity of the MUNI Metro subway to be increased and facilitates the further extension of MUNI Metro service to Mission Bay and the Caltrain Depot.

14-MISSION Reconstruction - This project provides for the continued phased design and reconstruction of the trolley overhead system serving the Municipal Railway's 14-MISSION trolley route.

MUNI Metro Accessibility Improvements - This project provides for the phased design and construction of accessibility improvements serving the MUNI Metro system. The project provides for the development and installation of safety and security improvements to aid the physically challenged MUNI riders. The funds requested will support accessibility improvements to the MUNI Metro Stations.

Cable Car Vehicle Rehabilitation - This project provides for the total reconstruction of two cable cars on an annual basis.

Metro East Light Rail Vehicle (LRV) Facility and Illinois Street Bridge - This project provides for the development of a new storage and maintenance facility to accommodate additional Light Rail Vehicles (LRV), with long-term expansion potential. The project will be developed in several phases -- project planning and conceptual design, detailed design, advanced construction activities including site acquisition and long-lead material purchases, and construction. The project

includes off-site mitigation and early relocation of railroad tracks from the Metro East site. The tracks serve the Port of San Francisco and would be replaced with a bridge over Islais Creek at Illinois Street.

Trolley Coach Replacement - MUNI will continue the phased replacement of its fleet of trolley coaches with the purchase of one trolley bus and replacement parts for other trolley buses already in service.

Indirect Costs: The PUC has included an amount of \$1,414,615 in the grant request to cover Department and City-wide overhead costs as described by individual project in Comment 2 below.

Comments: 1. The subject Federal application, which includes \$7,574,454 in Federal Section 9 Operating Assistance Federal Transit Administration (FTA) funds to MUNI for FY 1992-93, is based on a Federal formula using U. S. Census information and ridership data. The amount of \$7,574,454 is \$66,623 more than the \$7,507,831 currently approved in MUNI's FY 1992-93 budget.

2. The total \$52,904,818 (\$60,479,272 total grant and local match request less \$7,574,454 in FTA Funds requested for MUNI operations) in Federal and local match funds is divided into five expenditure categories among the six capital projects as follows:

In-House Project Engineering and Contract Management

MUNI Metro Turnback	\$1,320,312	
14-MISSION Reconstruction	694,251	
MUNI Metro Accessibility	89,754	
Cable Car Vehicle Rehabilitation	37,067	
Metro East/Illinois Street Bridge	421,875	
Trolley Coach Replacement	<u>58,486</u>	
Subtotal		\$2,621,745

Professional Services

MUNI Metro Turnback	6,337,500	
Metro East/Illinois Street Bridge	3,825,000	
Trolley Coach Replacement	<u>76,031</u>	
Subtotal		10,238,531

Construction

MUNI Metro Turnback	33,800,000	
14-MISSION Reconstruction	2,987,674	
MUNI Metro Accessibility	<u>386,250</u>	
Subtotal		37,173,924

Equipment Purchase

Trolley Coach Replacement	<u>\$861,690</u>	
Subtotal		\$861,690

In-House Equipment Purchase and Rehabilitation

Cable Car Parts Term Purchase	148,579	
Cable Car Rehabilitation	<u>445,734</u>	
Subtotal		594,313

Indirect Costs

MUNI Metro Turnback	792,188	
14-MISSION Reconstruction	301,640	
MUNI Metro Access	38,996	
Cable Car Vehicle Rehabilitation	11,120	
Metro East/Illinois Street Bridge	253,125	
Trolley Coach Replacement	<u>17,546</u>	
Subtotal		<u>1,414,615</u>

Total		\$52,904,818
-------	--	--------------

3. Ms. Gail Bloom of the PUC Finance Bureau advises that the PUC has already selected prime and sub-contracting firms for the professional services associated with the MUNI Metro Turnback and the Metro East LRV Facility and Illinois Street Bridge projects. These firms, including their MBE/WBE/LBE status, are as follows:

	<u>Percent Participation</u>
MUNI Metro Turnback	
Prime - Bechtel National, Inc.	61.3
Alagia-Crosby Engineers (MBE)	5.5
Geo/Resources Consultants, Inc. (MBE)	11.8
John Warren (MBE)	2.0
PGH Wong Engineering, Inc. (MBE)	1.0
Don Todd Associates (MBE)	4.6
Interpacific Technologies (MBE)	8.4
Kaye Bernstein & Assoc. (WBE)	3.4
Public Affairs Management (WBE)	1.0
Quasar Engineering, Inc. (WBE)	<u>1.0</u>
Total	100.0

Percent
Participation

**Metro East Light Rail Vehicle Facility and
Illinois Street Bridge**

Prime - Parsons, Brinckerhoff, Quade and Douglas, Inc.	60.1
Baseline Environmental (WBE)	1.7
Booz-Allen & Hamilton	2.4
Chandhary & Assoc., Inc. (MBE)	4.2
Don Todd (MBE)	2.6
Geotechnical Consultants, Inc. (MBE)	7.7
Jonas & Associates (WBE)	1.4
Manna Consultants (MBE)	2.5
Morrison-Knudsen Engineers	2.7
Nelson/Nygaard (WBE)	4.0
Outside Reviewers	0.7
Public Affairs Management (WBE)	3.4
Toronto Transit Consultants	0.6
J. Warren & Associates (MBE)	1.2
Wilson, Ihrig & Associates	1.5
R. Wong (MBE)	<u>3.3</u>
Total	100.0

4. Ms. Bloom also advises that PUC has completed a Request for Qualifications (RFQ) process for the selection of a contractor for the construction of the MUNI Metro Turnback project (total construction cost of \$33,800,000 in this legislation). At the present time, PUC has determined that five of the nine contractors have the necessary qualifications to participate in a Request for Proposal (RFP) which is pending.

5. Mr Jerry Levine of the PUC Finance Bureau advises that Requests for Proposal (RFP) for Professional Services and Construction costs are pending, as follows:

Professional Services		
Trolley Coach Replacement	<u>\$ 76,031</u>	
Subtotal		\$ 76,031
Construction		
MUNI Metro Turnback	33,800,000	
14-MISSION Reconstruction	2,987,674	
MUNI Metro Accessibility	<u>386,250</u>	
Subtotal		37,173,924

BOARD OF SUPERVISORS
BUDGET ANALYST

Equipment Purchase		
Trolley Coach Replacement	\$861,690	
Subtotal		\$ <u>861,690</u>
Total		\$38,111,645

6. Mr. Levine also advises that the current MBE/WBE/LBE goal for MUNI capital projects for FY 1991-92 is 32 percent and, through the second quarter, the actual amount in MBE/WBE/LBE contracts is 31 percent, one percent lower than their stated goal.

Recommendation: Reserve \$38,111,645 for professional services (\$76,031), for construction (\$37,173,924) and for equipment purchase (\$861,690) as identified in Comment 5 above, pending identification of the contractors, the MBE/WBE/LBE status of the contractors and the the contractors' cost details.

Approve the proposed resolution as amended.

Item 1e - File 141-92-2.1

Department: Juvenile Probation Department

Item: Resolution authorizing the Juvenile Probation Department to accept and expend grant monies from the San Francisco Foundation and the Kaiser Family Foundation for the development of a multi-disciplinary assessment instrument, classification system and workload study, and waiving indirect costs.

Grant Amount: \$55,000

Grant Period: August 4, 1992 through June 30, 1993

Source of Funds:	Kaiser Family Foundation	\$30,000
	San Francisco Foundation	<u>25,000</u>
	Total	\$55,000

Project: Multi-Disciplinary Assessment Instrument

Description: The Board of Supervisors previously approved legislation authorizing the Juvenile Probation Department to apply for the proposed grant funds (File 141-92-2). The Department is now requesting authorization to accept and expend these grant monies.

The proposed grant funds would be used to develop and implement new multi-disciplinary assessment and case management procedures for high risk juvenile offenders. These procedures would enable the Juvenile Probation Department to 1) measure accurately and objectively the risk that youths pose to public safety, and 2) provide the information necessary to link individual youth and their families with services to interrupt the cycle of juvenile crime.

With technical assistance provided by a consultant(s), the Department would develop sound assessment tools; design a classification system based on youths' needs and risk levels; train a multi-disciplinary team to conduct assessments and develop service plans; analyze Department workload management; and design a management information system for assessment and case management information.

Required Match: \$35,000 which is included in the Juvenile Probation Department's 1992-93 budget. Therefore, the total project budget would be \$90,000 (\$55,000 in proposed grant funds and \$35,000 in matching General Fund monies).

Project Budget: The entire \$90,000 in project funds would be used for contractual services.

Indirect Costs: The granting agencies prohibit the use of grant funds for indirect costs. Therefore, the Department is requesting that indirect costs be waived.

Comments: 1. The Juvenile Probation Department reports that a contractor has not, as yet, been selected to conduct the multi-disciplinary assessment and case management procedures. Therefore, the proposed legislation should be amended to reserve the \$55,000 in grant project funds pending the Department's provision of contract budget details and the MBE/WBE status of the contractor.

2. Attached is the grant application summary, as prepared by the Juvenile Probation Department, for the proposed grant monies.

3. The Disability Access Checklist is included in the file.

Recommendation: Amend the proposed legislation to reserve \$55,000 in grant funds, pending the provision of contract budget details and the MBW/WBE status of the contractor and approve the legislation as amended.

Letter of Intent to File a Grant Application
(submitted in triplicate)

To: The Board of Supervisors
Attn: Clerk of the Board

Request for authorization to submit a grant application as described below:

Department: Juvenile Probation Department

Contact Person: Fred Jordan, Jr. - Chief Probation Officer

Project Title: Multi-Disciplinary Assessment Instrument

Grant Source: San Francisco Foundation, Henry J. Kaiser Family Foundation

Proposed (New / Continuation) Grant Project Summary:

The Juvenile Probation Department will develop a assessment instrument for high risk juvenile offenders. This new method of assessment will make use of a multi-disciplinary team, act as a basis for classification, workload analysis and allow the formulation of individual treatment plans for targeted youth. This assessment instrument will evaluate problems, needs and risk to these youth in the areas of physical health, mental health, substance abuse, vocational training, academic achievement, family dynamics and psychosocial history.

Amount of Grant Funding Applied for: \$90,000

Maximum Funding Amount Available: \$25,000 San Francisco Foundation
\$30,000 request granted with Kaiser Family Foundation

Required Matching Funds: \$35,000

Number of Positions Created and Funded: Depends on principle consultant selected and sub-contractors needed

Amount to be Spent on Contractual Services: Total Amount

Will Contractual Services be put out to Bid? Yes - RFP is being developed.

Term of Grant: 1 year

S.F. Foundation - March 9, 1992

Date Department Notified of Available funds: Kaiser Foundation - May 19, 1992

Application Due Date: Application complete - funding awards final

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

- 1) RFP has been developed - draft attached
- 2) Publish and circulate in San Francisco community requesting bids
- 3) Bidders conference to be scheduled
- 4) Appropriate commissions to be notified
- 5) Select review panel
- 6) Select principle contractor with emphasis on minority contractors based on criteria identified in RFP
- 7) Certification of contract

Assessment of Need for Grant Funding:

High risk youth are referred to the Juvenile Probation Department for serious offenses, repeat offenses and as youth identified as posing a risk to public safety. They remain in the Department's custody for 5 to 6 weeks pending case dispositions in court. A limited range of services are provided to these youth from other city departments and non-profit agencies. For these youth the Juvenile Probation Department would like to develop a new, comprehensive and more individualized method of assessing problems, needs and risk to the community. The new method would take a multi-disciplinary approach and coordinate the contribution of several independent agencies.

Fred E. Jordan, Jr.
Chief Juvenile
Department or Commission Approval
Probation Officer

Item 1f - File 146-92-61

Department: Department of Public Health (DPH)

Item: Resolution authorizing the Department of Public Health to apply for, accept and expend a grant allocation of up to \$12,414,697 for Fiscal Year 1992-93 funding from the State Department of Health Services for California Healthcare for Indigents Program (CHIP) funds, which includes indirect costs in the amount of \$150,804 based on 39.93 percent of salaries or 1.658646 percent of County Hospital and other Health Services CHIP allocations.

Grant Amount: Up to \$12,414,697

Grant Period: July 1, 1992 through June 30, 1993

Source of Funds: State Department of Health Services

Project: California Healthcare for Indigents Program (CHIP)

Description: In 1988, the State Legislature passed the Tobacco Tax and Health Protection Act, as well as Assembly Bill 99 (AB99) and Assembly Bill 75 (AB75), which implemented the legislation. Under AB75, Counties may obtain funds for the California Healthcare for Indigents Program (CHIP) in order to reimburse hospitals, physicians, and other medical service providers for the cost of providing health care services to indigent people.

The proposed resolution would authorize the Department of Public Health (DPH) to apply for, accept, and expend up to \$12,414,697 in CHIP funds, including \$150,804 for indirect costs, for fiscal year 1992-93. These funds would be used to reimburse San Francisco General Hospital, 10 private hospitals, and a number of private physicians who have enrolled in the program for the cost of providing health care services to indigent people.

DPH reports that the actual amount of grant funds available in 1992-93 will not be known until the State adopts a final 1992-93 budget. Therefore, DPH has requested authorization to expend up to \$12,414,697, which is the amount received in 1991-92. Reductions in the grant amount would result in equivalent reductions in available funds to reimburse providers for the cost of health care for indigent persons.

Budget:

The proposed \$12,414,697 budget includes \$164,981 in indirect costs, \$526,604 in operating expenses for the CHIP program, and \$11,723,112 for reimbursements to health care providers for the cost of providing care to indigent persons. These amounts would be distributed among the three Funds as follows:

ALLOCATION OF AB 75 GRANT FUNDS

<u>Fund</u>	<u>Reimbursement Revenues</u>	<u>Indirect Costs</u>	<u>Admin. Expenses</u>	<u>Total Grant</u>
Hospital Services Fund				
County Hospital (SFGH)	\$6,848,294	\$119,637	\$245,045	\$7,212,976
Private Hospitals	1,220,292	--	71,022	1,291,314
Physician Services Fund	1,058,983	--	117,664	1,176,647
Other Health Services Fund (SFGH)	<u>2,595,543</u>	<u>45,344</u>	<u>92,873</u>	<u>2,733,760</u>
<u>Total Grant Allocations</u>	\$11,723,112	\$164,981	\$526,604	\$12,414,697

Personnel and operating expenses for the program are budgeted at \$619,549 which exceeds the budgeted allocation for administrative expenses of \$526,604 by \$92,945. The \$92,945 shortfall would be paid by funds carried forward from prior years for administrative expenses, according to DPH. The proposed \$619,549 budget for personnel and operating expenses is as follows:

PERSONNEL

Salaries

<u>Class</u>	<u>FTE</u>	<u>Amount</u>
Sr. Clerk Typist	1.0	\$28,582
Secretary II	1.5	41,722
Senior Accountant	1.0	41,656
Head Accountant	1.0	51,287
Principal Administrative Analyst	1.0	63,554
Systems & Procedures Supervisor	1.0	55,494
Health Worker IV	1.0	34,348
Senior Health Planner	1.0	44,970
Contracts Manager	1.0	45,179
Special salary savings	<u>(0.56)</u>	<u>(23,975)</u>

Total Salaries 8.94 \$382,817

Fringe Benefits (@ 25.7 percent) 98,527

Total Personnel \$481,344

OPERATING EXPENSES

Professional Services	\$78,593
Office Equipment	500
Copy Machine	1,200
Other	2,300
Auto Mileage	1,065
Travel	2,400
Staff development and training	3,500
Postage, subscriptions, and printing	4,000
Telephone	8,981
Office supplies	1,815
Furniture	6,098
Rental of Property	16,848
Data Processing	725
Personal Computer and Printer	4,680
Services of City Attorney	5,500

<u>Total Operating Expenses</u>	<u>\$138,205</u>
---------------------------------	------------------

TOTAL PERSONNEL & OPERATING EXPENSES	\$619,549
--------------------------------------	-----------

1992-93 Grant Funds for Administration	<u>(526,604)</u>
--	------------------

Personnel and Operating Expenses to be Paid From Funds Carried Forward from Prior Years	\$92,945
--	----------

Required Match: None

No. of Persons Served: Approximately 55,500 annually

Indirect Costs: Indirect costs are allowed based on either 39.93 percent of salaries or 1.658646 percent of the combined allocations to the County Hospital and to the Other Health Services Fund. DPH has used the 1.658666 percent method. The proposed resolution states that indirect costs have been estimated as \$150,804, which is in error.

Based on the budget provided by DPH, indirect costs should be calculated at \$164,981, based on 1.658646 percent of the combined allocation of \$9,946,736 for the County Hospital (allocated \$7,212,976) and the Other Health Services Fund (allocated \$2,733,760).

Comments: 1. Mr. Jeff Leong, CHIP Project Coordinator for DPH, states that authorization has been requested from the Board of Supervisors to apply for, accept and expend up to \$12,414,697 in CHIP funds for 1992-93, because this is the actual revenue which San Francisco received for the program in 1991-92.

BOARD OF SUPERVISORS
BUDGET ANALYST

The actual amount to be allocated by the State in 1992-93 will not be known until the State budget is adopted, but Mr. Leong does not expect the State to allocate funds at a higher level in 1992-93 than in 1991-92.

2. AB 75 authorizes reimbursements to public and private hospitals and to private medical providers for the cost of health care for indigent persons. The reimbursements are made from three funds established pursuant to the legislation. The Hospital Services Fund is used to reimburse San Francisco General Hospital and 10 private hospitals. The Physician Services Fund is used to reimburse private physicians who have enrolled in the program. The Other Health Services Fund is used in San Francisco to reimburse San Francisco General Hospital for the cost of indigent care.

According to Mr. Leong, the amounts available for each Fund are determined by the amount of grant funds allocated to each Fund by the State, and San Francisco has no discretion to transfer monies from one Fund to another. DPH must appropriate the monies allocated to the Hospital Services Fund and the Physician Services Fund according to the mandates of State legislation, according to Mr. Leong. DPH does not have discretion to determine what share of the Hospital Services Fund will be appropriated to San Francisco General Hospital or to private hospitals.

The Health Commission does have discretion to determine how appropriations will be made from the Other Health Services Fund, according to Mr. Leong. Mr. Leong states that the Health Commission has appropriated these funds to San Francisco General Hospital since the inception of the CHIP program, and will continue this practice in 1992-93.

3. According to Ms. Yvonne Lowe of San Francisco General Hospital, the Hospital's 1992-93 budget includes \$9,091,989 in expected revenues under the CHIP program.

If the State allocates \$12,414,697 in CHIP funds for 1992-93, equal to 1991-92 actual allocations, San Francisco General Hospital would receive reimbursements of \$9,443,837, based on the budget submitted by Mr. Leong. This would consist of \$6,848,294 from the Hospital Services Fund and \$2,595,543 from the Other Health Services Fund.

Thus, if an amount equal to last year's CHIP allocation is received, SFGH would realize revenues approximately \$351,848 higher than the 1992-93 budget estimate (\$9,443,837 SFGH share of \$12.4 million less \$9,091,989 budgeted for 1992-93).

4. As previously noted, the State allocates specific amounts of grant funds to each of the three Funds established for the CHIP program. Although State allocations are expected to be reduced in 1992-93 from the 1991-92 level, Mr. Leong states that it is not possible at this time to determine what the actual 1992-93 CHIP allocations to San Francisco will be. According to Mr. Leong, it is also not known whether the State would allocate the lower revenues among the Funds in proportion to previous allocations, or alter the distribution of revenues to County hospitals, private hospitals, private physicians, and other health services for 1992-93.

5. The Budget Analyst notes that, since the actual amount of the funds to be allocated by the State cannot be determined at this time, any proposed budget governing expenditure of the proposed grant funds is unreliable. Therefore, authorization to accept and expend any grant monies which are allocated by the State should be deferred until such time as the actual amount of the grant and a reliable budget for expenditure of the grant funds can be submitted.

The proposed resolution should therefore be amended on page 2, lines 3 through 8, to delete references to acceptance and expenditure of the grant funds. Lines 2 through 9 of the proposed resolution should read, "...the Board of Supervisors does hereby authorize the Department of Public Health to apply for California Healthcare for Indigents Program funds for Fiscal Year 1992-93 for up to \$12,414,697, including indirect costs based on 1.658646 percent of County Hospital and Other Health Services CHIP allocations, along with the provision of a number of assurances concerning use of such funds..."

6. Although the Budget Analyst recommends authorizing DPH only to apply for the grant funds, Mr. Leong has urged that authorization to accept and expend the proposed grant funds, up to \$12,414,697, should also be granted at this time. Mr. Leong states that CHIP reimbursements to private hospitals and physicians are due in December, 1992, and he is concerned that these payments cannot be made on time if authorization to accept and expend the funds is not granted at the present time. Mr. Leong states that, since the amounts of CHIP allocations for authorized purposes are determined by the State, the Finance Committee would have little discretion concerning the use of these funds, once the State budget is adopted. The Budget Analyst does not concur with DPH that a review by the Finance Committee would result in any significant delay in payments to private hospitals and physicians.

The Budget Analyst notes that authorization to apply for, accept, and expend CHIP funding in 1991-92 was not reviewed by the Finance Committee, but was approved for immediate adoption by the Board of Supervisors. Because of the potential effect of reduced CHIP grant allocations on the services provided by San Francisco General Hospital, the Budget Analyst believes that it is especially important that this grant program be reviewed by the Finance Committee after the amount of the 1992-93 CHIP allocation has been determined.

- Recommendations:**
1. Amend the proposed resolution on page 2, lines 3 through 8, as described in Comment No. 5 above, in order to authorize DPH to apply for the proposed grant but to delete authorization for acceptance and expenditure of the proposed grant funds until the amount of the grant is determined, in order to enable the Board of Supervisors to review the details of the grant budget.
 2. Amend the title of the proposed resolution, consistent with Comment No. 5 above.
 3. Approve the proposed resolution, as amended.

Item 1g - File 146-92-62

Department: Public Health
AIDS Office

Item: Resolution authorizing the Department of Public Health, AIDS Office, to apply for, accept and expend a supplemental grant of \$59,647, which includes indirect costs of \$6,461 based on twenty percent of personnel costs excluding fringe benefits, from the U.S. Department of Health and Human Services, Centers for Disease Control, to supplement the AIDS Surveillance Project; providing for ratification of action previously taken.

Grant Amount: \$59,647

Grant Period: September 1, 1992 to December 31, 1992

Source of Funds: U.S. Department of Health and Human Services
Centers for Disease Control

Project: AIDS Surveillance Project

**Number of
Persons Served:** The population of San Francisco

Description: The AIDS Surveillance Project is a project that identifies and maintains information concerning adult and pediatric AIDS cases and incidence of HIV infection in San Francisco. The objective of the AIDS Surveillance Project is to generate meaningful epidemiologic data about the nature of the epidemic in order to identify and address issues of AIDS and HIV infection.

The proposed grant would provide additional funding to support the design, implementation and maintenance of the AIDS Surveillance Project. Specifically, these funds would be used to conduct active lab surveillance for CD4 counts (a measure of immune system status) and to match the AIDS case registry against other databases maintained by research groups, hospitals and tumor registries.

Project Budget:	<u>Personnel</u>		
	Programmer Analysts		
	(1.3 FTEs for 4 months)	\$19,457	
	Disease Control Investigator		
	(1.0 for 4 months)	<u>12,848</u>	
	Personnel Subtotal		\$32,305
	Fringe Benefits at 26 percent		<u>8,399</u>
	Total Personnel		\$40,704

BOARD OF SUPERVISORS
BUDGET ANALYST

Equipment

Personal Computers (3 at approximately \$2,862)	\$8,585	
Computer Network Equipment for three new computers	<u>3,122</u>	
Total Equipment		\$11,707

Materials and Supplies

Office Supplies	300	
Photocopying	<u>200</u>	
Total Materials and Supplies		500

Staff Travel

275

Indirect Costs (20 percent of salaries,
excluding fringe benefits)

6,461

TOTAL PROJECT BUDGET \$59,647

Required Match: None.

Indirect Costs: \$6,461, based on 20 percent of salary costs, excluding fringe benefits

Comments: 1. The original grant previously provided by the CDC for the AIDS Surveillance Project totalled \$1,986,112. The proposed supplemental grant of \$59,647 represents a three percent supplement to the previous grant. According to Mr. Tim Piland of the AIDS Office, these additional funds are being offered because additional funds were available for supplemental grants in CDC's current fiscal year budget.

2. The AIDS Surveillance Project has been in operation since fiscal year 1990-91, and has been entirely funded by the Centers for Disease Control since its inception.

3. The DPH advises that if the proposed grant were reduced or terminated, personnel would be reduced or terminated accordingly. The proposed grant would support 2.3 FTEs for a period of four months.

4. The proposed grant includes indirect costs in the amount of \$6,461, based on 20 percent of salary costs, excluding fringe benefits.

5. The Department has completed a Disability Access Checklist, which is in the file.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 26, 1992

6. A Summary of Grant Request form, as completed by the Department, is attached.

Recommendation: Approve the proposed resolution.

Health Commission - Summary of Grant Request

Rev. 4/10/90

Dept of Health and Human Svcs
Centers for Disease Control

Division CO/AIDS Div

Section AIDS Office

Contact Person Tim Piland

Telephone 554-9132

Application Deadline 7/31/92

Notification Expected 8/31/92

Board of Supervisors: Finance Committee

Full Board

Person Jeff Erird
Address CDC/PGO 255 East Paces Ferry Road
Atlanta, GA 30305

Amount Requested \$ 59,647

Term: From 9/1/92 To 12/31/92

Health Commission 8/11/92

I. Item Description: Request to (apply for) (accept and expend) a ~~(new)~~ ~~(continuation)~~ ~~(renewal)~~ (augmentation to) grant in the amount of \$ 59,647 from the period of 9/1/92 to 12/31/92 to provide supplemental funding for AIDS Surveillance Project services.

II. Summary: (Concise summary of need, objectives, goals, and services)

This is additional funding for the 1992 AIDS surveillance grant to support the design, implementation, and maintenance of active surveillance programs for adult and pediatric AIDS cases and HIV infection; specifically, these funds will be used to conduct active lab surveillance for CD4 counts and to match the AIDS case registry against other databases maintained by research groups, hospitals, and tumor registries.

III. Outcomes/Objectives:

The objective of the AIDS surveillance and seroprevalence activities is to generate meaningful epidemiologic data about the nature of the epidemic in order to identify and address issues of AIDS and HIV infection.

IV. Effects of Reduction or Termination of These Funds:

Failure to utilize this supplemental funding will impair our ability to measure and track the AIDS epidemic in San Francisco and possibly jeopardize future federal funding.

V. Financial Information:

	Col. A Two Years Ago	Col. B Fisc. Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount		1,962,465	1,986,112	+ 59,647	none	
Personnel		1,352,923	1,393,627	+ 40,704		
Equipment		6,473	18,180	+ 11,707		
Contract Svc.		156,529	156,529	0		
Mat. & Supp.		102,126	102,426	+ 300		
Facilities/Space		35,986	35,986	0		
Other		93,678	94,152	+ 475		
Indirect Costs		214,750	221,211	+ 6,461		

VI. Data Processing

(costs included above)	6,473	18,180	+ 11,707		
------------------------	-------	--------	----------	--	--

VII. Personnel

F/T CSC	27.40	29.70	+ 2.30		
P/T CSC					
Contractual	6.75	6.75	+ 0		

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Positions not fully funded with these supplemental funds are paid for from other CDC grant funds.

Will grant funded employees be retained after this grant terminates? If so, How?

No.

VIII. Contractual Services: Open Bid none Sole Source none (If sole source, attach Request for Estimate Form)

Item 1h - File 146-92-63

Department: Public Health

Item: Resolution authorizing the Department of Public Health, Community Public Health Service, Epidemiology and Disease Control Division, Sexually Transmitted Disease (STD) Control Division, to accept and expend an augmentation grant of \$321,540, which includes indirect costs of \$34,072, based on twenty percent of personnel salaries, from the Centers for Disease Control for the provision of STD services.

Grant Amount: \$321,540

Grant Period: January 1, 1993 to April 30, 1993

Source of Funds: Centers for Disease Control

Project: Sexually Transmitted Disease (STD) Control Project

**Number of
Persons Served:** The population of San Francisco

Description: The proposed resolution would approve a four-month supplemental grant of \$321,540 to support an on-going STD Control Project. The STD Control Project includes surveillance, education, investigation and treatment of STDs. The proposed four-month supplemental funds would include the following priority STD Control activities:

1. STD treatment, counseling, interviewing and partner notification;
2. STD surveillance and screening;
3. Epidemiology and disease trend analysis;
4. HIV risk assessment, pre-test counseling and referral.

Project Budget:

<u>Personnel</u>		
Disease Control Investigators		
(8.0 FTE for 4 months)	\$88,000	
Clerk Typists		
(5.0 for 4 months)	50,483	
Epidemiologist		
(1.0 for 4 months)	20,088	
Computer Systems Manager		
(1.0 for 4 months)	<u>11,788</u>	
Personnel Subtotal		\$170,359
Fringe Benefits at 26 percent		<u>44,293</u>
Total Personnel		\$214,652

<u>Materials and Supplies</u>	
Laboratory Supplies	\$33,655
Safer Sex Packets	9,800
Pamphlets, posters, and video tapes	2,179
Office Supplies	1,900
Computer lines	340
FAX	1,850
Secured Parking	800
Radio Pagers (\$20/month x 4 months x 5 pagers)	400
Photocopying	1,000
Postage	1,400
Telephone	3,000
Equipment Repair	1,000
Translations for the hearing impaired	<u>350</u>
 Total Materials and Supplies	 \$57,674
 <u>Staff Travel</u>	 6,142
 <u>Staff Training</u>	 1,000
 <u>Contractual Services</u>	 8,000
 <u>Indirect Costs</u> (20 percent of salaries, not including fringe benefits)	 <u>34,072</u>
 TOTAL PROJECT BUDGET	 \$321,540

Required Match: None.

Indirect Costs: \$34,072, based on 20 percent of salary costs, not including fringe benefits

Comments:

1. The proposed grant of \$321,540 over four months, or an average of \$80,385 per month, represents no change over the previous grant of \$964,620 over 12 months, or an average of \$80,385 per month. According to Dr. Gail Bolen of the DPH, the Centers for Disease Control has provided funding for an STD Control Project for over 40 years.

2. Dr. Bolen advises that the Centers for Disease Control have awarded a four-month supplemental grant, instead of a full-year extension, because the funder is reformatting the program announcement (that is, the grant application). The new program announcement will require substantial changes to the DPH's application, such as changes in personnel, Dr. Bolen reports. To allow applicants sufficient time to prepare newly formatted applications, the CDC has

BOARD OF SUPERVISORS
BUDGET ANALYST

automatically extended all on-going grants for a period of four months, according to Dr. Bolen.

3. Global Health Care Incorporated, a non-profit organization, would provide programming and computer consultant services related to finalizing development of a scannable medical record and bar coding system, and for general computer consultation. The proposed contract would be an extension of an existing contract. Global Health Care Incorporated was originally selected based on a competitive bid.

4. The DPH advises that if the proposed grant were reduced or terminated, personnel would be reduced or terminated accordingly. The proposed grant would support 15 FTEs over four months.

5. The proposed grant includes indirect costs in the amount of \$34,072, based on 20 percent of salary costs, not including fringe benefits.

6. The Department has completed a Disability Access Checklist, which is in the file.

7. A Summary of Grant Request form, as completed by the Department, is attached.

Recommendation: Approve the proposed resolution.

Centers for Disease Control
Person Linda Long
255 East Paces Ferry Road, N.E.
Atlanta, Ga. 30305

Division CPHS/Epidemiology & Disease Control
Section STD Control
Contact Person Wendy Wolf
Telephone 864-8100
Application Deadline _____
Notification Expected _____
Board of Supervisors: Finance Committee _____
Full Board _____

Request Requested \$ 321,540
From 1/1/93 To 4/30/93
Health Commission _____

I. Item Description: Request to ~~amend~~ (accept and expend) a ~~new~~ (continuation) (addition) (augmentation) to a grant in the amount of \$ 321,540 from the period of 1/1/93 to 4/30/93 to provide sexually transmitted disease (STD) control services.

II. Summary: (Content/summary, need additional: number + groups served/ services and providers)

Due to substantial changes due to be made to the 1993 STD Control Project Program Announcement, the 1992 award is being extended by 4 months. Funds are being awarded to augment the 1992 STD Control Project award to provide for the continuation of surveillance, education, investigation and treatment of STDs, with an emphasis on syphilis, congenital syphilis, chancroid, chlamydia and HIV counseling, referral and partner notification.

III. Outcomes/Objectives:

- Reduce the overall incidence of STD
- Decrease the number of repeat STD visits (more than 1 visit in 12 months) by 10%
- Establish and maintain active surveillance systems for all STDs

IV. Effects of Reduction or Termination of These Funds:

Without funding, STD services would have to be curtailed, and we would be unable to effectively monitor and respond to disease outbreaks.

V. Financial Information:

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	\$1,103,700	\$964,620	\$321,540			
Personnel	810,815	696,872	214,652			
Equipment	300	300	0			
*Contract Svc.	25,000	25,000	8,000			
Mat. & Supp.	160,785	90,800	47,534			
Facilities/Space	0	0	0			
Other	106,800	41,033	17,282			
Indirect Costs	* waived	110,615	34,072			

*119,800 in indirect costs waived/ Indirect costs computed based on 20% of salaries

VI. Data Processing

(costs included above)

	25,000	57,364	19,788			
--	--------	--------	--------	--	--	--

VII. Personnel

F/T CSC	18	16	16			
P/T CSC	2	1	1			
Contractual						

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
N/A

Will grant funded employees be retained after this grant terminates? If so, How?
No

*VIII. Contractual Services: Open Bid _____ Sole Source _____ (if sole source, attach Request for Exemption Form) **

As part of the Community Public Health Services Department all of our contractual services are performed through the MIS Departments contract with Global Health Care Services Inc. This contract was originally bid out and is now a sole source.

Item 1i - File 146-92-64

Department: Public Health
AIDS Office

Item: Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a continuing allocation of \$3,000,000 from the California Department of Health Services, to continue funding the AIDS Drug Program; waiving indirect costs.

Grant Amount: \$3,000,000

Grant Period: October 1, 1992 to September 30, 1993

Source of Funds: California Department of Health Services

Project: AIDS Drug Program

Number of Persons Served: Up to 1,400 AIDS patients

Description: The proposed resolution would approve a grant of \$3 million to provide AIDS medication to non-MediCal-eligible, low-income persons with a valid prescription from a licensed physician. The AIDS Drug Program provides AZT and aerosolized pentamidine, two of the most commonly used drugs in the treatment of AIDS. In addition, the Drug Program was expanded in fiscal year 1991-92 to include eleven new drugs used in the treatment of AIDS.

The AIDS Drug Program is administered by the AIDS Office, but services are provided contractually by Professional Management Development Corporation. In order to increase accessibility to the Drug Program's clients, the AIDS Office plans to decentralize the Drug Program (that is, provide services at a number of privately operated neighborhood pharmacies). The Professional Management Development Corporation would implement this decentralization using other grant funds, specifically the Ryan White Comprehensive AIDS Resources Emergency (CARE) money. The proposed grant would be used entirely to purchase drugs.

Project Budget: All of the proposed grant would be used to purchase drugs.

Required Match: None.

Indirect Costs: Indirect costs are not allowed by the funder

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments:

1. The proposed grant of \$3 million represents an increase of 87.5 percent over the previous grant of \$1.6 million. These additional funds would be used to expand the Program to include eleven additional drugs. The proposed grant would support the third year of an on-going program.
2. The AIDS Office advises that the number of neighborhood pharmacy sites has not yet been determined. Nevertheless, the AIDS Office reports that the location of such sites would match the demographic distribution of AIDS cases in San Francisco.
3. The proposed grant would not include indirect costs, since such costs are not allowed by the funder.
4. The Department has completed a Disability Access Checklist, which is in the file.
5. A Summary of Grant Request form, as completed by the Department, is attached.

Recommendation: Approve the proposed resolution.

Grantor California Dept Health Services
 Office of AIDS
 Contact Person Anna Ramirez
 Address P.O. Box 942732
Sacramento, CA 94234-7320
 Amount Requested \$ 3,000,000*
 Term: From 10/1/92 To 9/30/93
 Health Commission 8/4/92 Board of Supervisors: Finance Committee
 Division CO/AIDS Div
 Section AIDS Office
 Contact Person Tim Piland
 Telephone 554-9132
 Application Deadline n/a
 Notification Expected n/a
 Full Board

*Contingent on available State funding.

I. Item Description: Request to ~~provide for~~ (accept and expend) a ~~new~~ (continuation) (allocation) ~~(agreement)~~
 (Circle appropriate words) grant in the amount of \$ 3,000,000 from the period of 10/1/92 to 9/30/93
 to provide continuation of AIDS Drug Program services.

II. Summary: (Concise history; need addressed; number + groups served; services and providers)

This program continues to provide AIDS medications/drugs to non-MediCal-eligible, low-income persons who have a valid prescription from a licensed physician and who meet the eligibility criteria; program is administered by AIDS Office and service will be provided contractually by Professional Management Development Corporation; contractor will implement the planned decentralization of this program in order to increase accessibility to patron

III. Outcomes/Objectives:

These funds will continue the current Standard Agreement between the City and County of San Francisco and California Dept of Health Services for another twelve month period beginning 10/1/92.

IV. Effects of Reduction or Termination of These Funds:

Failure to accept and expend these funds would eliminate the AIDS Drug Program for the eligible residents of San Francisco.

V. Financial	1/1/90 - 6/30/91 Col. A	7/1/91 - 9/30/92 Col. B	10/1/92 - 9/30/93 Col. C	Col. D Change	Req. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed			
Grant Amount	<u>4,206,156</u>	<u>1,600,000</u>	<u>3,000,000</u>			
Personnel						
Equipment						
*Contract Svc.			<u>3,000,000</u>			
Mat. & Supp.	<u>4,206,156</u>	<u>1,600,000</u>				
Facilities/Space						
Other						
Indirect Costs:	<u>Indirect Costs not allowed by funder.</u>					

VI. Data Processing

(cases included above)

0

0

0

VII. Personnel

	<u>0</u>	<u>0</u>	<u>0</u>		
F/T CSC					
P/T CSC					
Contractual	<u>0</u>	<u>0</u>	<u>TBD</u>		

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
 None.

Will grant funded employees be retained after this grant terminates? If so, How?
 No.

*VIII. Contractual Services: Open Bid Sole Source X (if sole source, attach Source for Exemption form)

Approved 5/19/92 by Health Commission

Item 1j - File 146-92-65

Department: Department of Public Health (DPH)
Central Administration

Item: Resolution authorizing the Department of Public Health, Central Administration, in collaboration with the State Department of Mental Health, as primary grantee, to accept and expend a two year extension grant from the Robert Wood Johnson Foundation of \$475,569 with \$1,060,000 of matching funds from the primary grantee for a total of \$1,535,569, which includes indirect costs in the amount of \$133,776 based on nine percent of personnel and office supplies, for the provision of a system of care for children and youth who are seriously emotionally disturbed and their families.

Grant Amount: \$1,535,569

Grant Period: August 1, 1992 to July 31, 1994 (two years)

Source of Funds: Robert Wood Johnson Foundation

Project: Family Mosaic Project

Description: The Family Mosaic Project is a four-year effort to develop an interagency system of care for children and youth with serious emotional problems who are at risk of out-of-home placement or currently are in out-of-home placement. The interagency system would include San Francisco Unified School District (SFUSD), Juvenile Probation, Department of Social Services (DSS) and Department of Mental Health (DMH). The DPH previously received a grant of \$1,620,000 for the Family Mosaic Project in 1990 (File 146-90-62; Resolution No. 713-90). In March of 1992 DPH received a grant augmentation of \$158,408 from the Robert Wood Johnson Foundation to develop a structure to receive, disburse, and monitor on-going funding through MediCal for the Family Mosaic Project. The Project is completing the first two-year phase of program implementation which provided a preliminary analysis of services and costs.

Required Match: None

No. of Persons Served: The entire grant would serve 650 children and their families, or approximately 1,950 individuals.

Indirect Costs: \$133,776, based on nine percent of salaries and office supplies

Comment: DPH reports that the proposed grant amount is less than the \$1,535,569 as the proposed resolution currently reads. However, the Department has not yet provided the Budget Analyst with adequate details of the revised grant budget. As such, the Budget Analyst recommends continuing the proposed resolution for one week to allow the Department sufficient time to submit the complete details of the revised grant budget.

Recommendation: Continue the proposed resolution for one week pending the DPH submission of complete budget details of the revised grant budget.

Item 2 - File 97-92-35

Note: This item was continued by the Finance Committee at its meeting of August 19, 1992.

Item: Ordinance amending the San Francisco Administrative Code by adding Chapter 22B thereto, to assign responsibility to the General Manager of the Department of Electricity for designing and planning an improved telecommunications program for departments, boards, and commissions of the City and County.

Description: An earlier version of the proposed ordinance was continued by the City Services Committee on July 21, 1992 to the August 4, 1992 City Services Committee meeting. The first proposed ordinance would have assigned responsibility to the General Manager of the Department of Electricity (DET) for designing, implementing and coordinating an improved telecommunications program, including voice communications transport networks; data network communications; messaging communications transport networks; enhanced information systems transport networks; billing services; the Mayor's Emergency Telephone System; alarm systems; public service communication systems; wireless, cellular and video communications, and Management Information Systems (MIS) for all departments.

On August 4, 1992, the City Services Committee approved an Amendment to the Whole which excluded all MIS data processing equipment and services which are currently handled by the Controller's Information Systems Division and the MIS divisions of various City departments (see Comment 5).

DET was unable to provide the City Services Committee with detailed information regarding the proposed City-wide telecommunications system, such as the costs and benefits, methods for transition to the new system, impacts on City departments and personnel, and implementation plans. Therefore, the City Services Committee amended the proposed ordinance at the August 4, 1992 meeting to authorize the Department of Electricity to design and plan a City-wide communications system, without granting the DET authority to implement the plan. This amended proposed ordinance was referred to the Finance Committee because the ordinance was determined to have fiscal impact prior to the amendments. The proposed ordinance was then continued from the August 19, 1992 Finance Committee Meeting.

BOARD OF SUPERVISORS
BUDGET ANALYST

The proposed ordinance, as amended by the City Services Committee, declares it to be City policy that City and County departments, boards, and commissions be provided with a well-planned, economical, and effective telecommunications system. The proposed ordinance would further require the Department of Electricity (DET) to plan and design an improved telecommunications program for the City, including a cost benefit analysis.

Such a plan would spell out what the objectives of a centralized telecommunications program would be, how DET plans to achieve these objectives, and who would be responsible for carrying them out. The plan would also describe how arrangements would be made to ensure that the transition to centralized telecommunications coordination is orderly and cost-effective, and would provide opportunities for prior consultation with and surveying of various City departments to ensure that any concerns about the transfer of telecommunications staff and resources to DET have been addressed before a more comprehensive implementation ordinance is approved.

The proposed ordinance defines telecommunications as including the following: voice communications systems; the transmission, communication, and transport links up to the demarcation point between and among systems for voice, messaging, data information, alarm, public safety, wireless, cellular, video, and the Mayor's Emergency Telephone System; and required support activities for these systems such as billing services and financial analysis.

The proposed legislation is an Amendment to the Whole, as amended by the City Services Committee on August 4, 1992.

Comments:

1. The City currently has no centralized telecommunications program. According to Mr. Dan McFarland of DET, the City would benefit from such a centralized system, in that costs would be reduced and services improved. Although the Electronic Information Processing Steering Committee (EIPSC) has the authority to coordinate and implement a City-wide telecommunications system, according to Ms. Deborah Vincent-James of EIPSC, EIPSC does not have the staff resources necessary to implement such a system. Mr. McFarland suggests that the Department of Electricity is the most appropriate Department to coordinate such a system. The original proposed ordinance would have given EIPSC final approval of any DET proposals. Under the proposed amended version, no such EIPSC approval is

BOARD OF SUPERVISORS
BUDGET ANALYST

necessary, since the current version authorizes no action on the part of DET.

2. Mr. McFarland advises that, in order to prepare a specific action plan, DET must secure billing information on all City departments from Pacific Bell, AT&T and all other telecommunications vendors. Mr. McFarland reports that approval of the proposed legislation would give DET the authority to secure such information. However, the CAO advises that approval of the proposed ordinance would not be necessary to secure such billing information.

3. In order to complete the proposed action plan, the proposed ordinance would authorize DET to survey all City departments, and develop specific plans about developing a City-wide telecommunications program, including implementation costs, and what cost savings could realistically be achieved.

4. Mr. McFarland reports that benefits that would accrue from a centralized telecommunications system are as follows:

(a) centralized telecommunications procurement contracts for equipment and services could result in greater price discounts;

(b) one City agency will be responsible for ensuring that all City telephone bills are paid on time, thus eliminating costly late payments. DET estimates that late payments for City departments may currently total \$5,000 to \$10,000 annually;

(c) duplications in service would be eliminated;

(d) existing equipment would be fully utilized;

(e) DET could ensure that the City's telephone costs would be accurately billed at uniform prices;

(f) DET would work with all major user departments to analyze telecommunications requirements and propose more efficient methods of operation, such as consolidation of telephone operators throughout the City.

5. Mr. McFarland reports that DET met with representatives of the MIS Divisions within the San Francisco International Airport, the Public Utilities Commission (PUC), the Department of Public Health (DPH) and the Controller's Information Systems Division (ISD) to

BOARD OF SUPERVISORS
BUDGET ANALYST

clarify the definition of "telecommunications" in the proposed legislation to exclude data processing equipment or services that are directly managed by City MIS Divisions from the definition of "telecommunications." An Amendment to the Whole, containing these changes, was approved by the City Services Committee on August 4, 1992, as noted above. MIS systems include any telecommunication program that involves the transferral of data, Ms. Vincent James advises. The proposed ordinance would give DET the authority to develop the transport mechanisms for transferring data, but would not give DET authority to determine the hardware and software which is managed by the data centers of the above departments.

6. Mr. John Madden of the Controller's Office advises that the Controller considers the preparation of an action plan prior to authorizing DET to coordinate a City-wide telecommunications system to be appropriate.

7. As previously discussed, on August 4, 1992, the City Services Committee amended the proposed ordinance and recommended approval of the proposed Amendment of the Whole.

8. The proposed ordinance, as amended, would have no fiscal impact, since it would authorize only an action plan, and would not authorize any implementation on the part of the Department of Electricity.

9. According to Mr. Fred Weiner of the Office of the Chief Administrative Officer (CAO), an Amendment of the Whole will be introduced at the September 2, 1992 Finance Committee meeting which would authorize the DET to manage a City-wide telecommunications program and also require the DET to prepare an action plan for such a program. If such an Amendment of the Whole is introduced, the Budget Analyst recommends that the proposed ordinance be continued until after such an action plan is provided to the Board of Supervisors. Although the Budget Analyst agrees that coordination of a City-wide telecommunications program might achieve efficiencies, the actual effects of such a City-wide system is unknown at this time, including the costs and benefits, methods for transition to the new system, impacts on City departments and personnel, and implementation plans.

Mr. Weiner advises that the CAO would disagree with the Budget Analyst's recommendation to continue the proposed Amendment of the Whole until an action plan is provided to the Board of Supervisors. According to Mr. Weiner, the

CAO believes that efficiencies can be achieved in the current telecommunications program and that the DET is the most appropriate department from a technical perspective to manage the City's telecommunications program. Mr. Weiner states that unless the Board of Supervisors believes that the DET is not the appropriate department to be responsible for a City-wide telecommunications program, there is no reason to continue the proposed ordinance, according to the CAO. This response of the CAO's Office is not to the point of the Budget Analyst's recommendation, which is that the costs and benefits, as well as other impacts, of the proposed reorganization should be provided to the Board of Supervisors prior to approval of such a reorganization.

Recommendations:

(1) Since no specific plan has been provided, including costs and benefits and other impacts, approve the proposed ordinance, as amended by the City Services Committee. This proposed ordinance would authorize an action plan only and would not authorize any implementation on the part of the Department of Electricity until the details of the costs and benefits and other impacts are provided to the Board of Supervisors.

(2) If an Amendment to the Whole is introduced, which would authorize management and/or implementation of a City-wide telecommunications program, continue the proposed ordinance, pending provision by DET to the Board of Supervisors of an action plan, including costs, benefits and other impacts.

Item 3 - File 100-92-5

Note: This item was continued by the Finance Committee at its meeting of August 26, 1992.

This is a hearing to consider the impact of State budget cuts on the revenues of the City and County of San Francisco.

As of the writing of this report, a budget resolution has been adopted by the State Senate and Assembly but remains unsigned by the Governor. Critical legislation is now being considered to enact the changes contemplated by the budget bills.

As directed by the Finance Committee, the Budget Analyst is working with the Mayor's Budget staff and the Controller's Office to provide an estimate of the impact of the State budget and to suggest a schedule for City and County budgetary actions that will be necessitated by the approved State budget and changes in local revenues that have been identified by the Controller.

Item 4 - File 291-92-1

This is a hearing to consider all special funds administered by the Controller.

This item was placed on calendar in order to review a report now being prepared by the Controller concerning special funds. As of the writing of this memorandum to the Board of Supervisors, the Budget Analyst has been informed that the report of the Controller will be issued prior to the September 2, 1992 meeting for consideration by the Finance Committee.

Item 5 - File 172-92-10

Department: Juvenile Probation

Item: The proposed ordinance would authorize the Chief Probation Officer of the Juvenile Probation Department to renew a contract with California Youth Authority for diagnostic treatment services and temporary detention not to exceed ninety days; providing for ratification of action previously taken.

Amount: \$3,480 per month per juvenile, or 1/30 of that amount (approximately \$116) per day per juvenile for stays not to exceed 90 days.

Source of Funds: General Fund, included in Juvenile Probation's FY 1992-93 budget.

Contract Period: July 1, 1992 through June 30, 1993 (See Comment 1)

Description: The proposed ordinance would authorize the renewal of a contract with the California Youth Authority (CYA), located in Sacramento, for diagnostic, treatment and temporary detention services. CYA provides assistance to Juvenile Court Judges in determining the appropriate disposition of cases.

Any Juvenile Court Judge may request that a youth receive an evaluation at CYA prior to determining the appropriate disposition of that youth's case. A youth receiving such diagnostic, treatment and temporary detention services would be housed at CYA for a period not to exceed 90 days. When the CYA evaluation had been completed, the youth would return to the Juvenile Probation Department. The Presiding Judge would then review the CYA evaluation and determine the appropriate disposition of the case.

Comments: 1. As noted above, the contract period for the proposed contract is July 1, 1992 through June 30, 1993. Therefore, the proposed resolution provides for ratification of action previously taken.

2. The Juvenile Probation Department has contracted with CYA for diagnostic, treatment and temporary detention services since July 1, 1984, according to Ms. Nelba Chavez of the Juvenile Probation Department. The proposed contract would be the eighth year of an on-going contract.

3. The per placement cost of diagnosis and treatment at CYA facilities is a standard rate established by the State for all Juvenile Courts in California. The City does not have an opportunity to negotiate with the State regarding the rates charged. The State has decreased the rate per juvenile per day for CYA facilities by approximately 3 percent, from \$120 in FY 1991-92 to \$116 in FY 1992-93.

4. The amount spent on this contract depends on the number of juveniles and the duration of each juvenile's stay at the CYA facility. Ms. Chavez reports that the Juvenile Probation Department has no control over the number of juveniles which the Courts order to the CYA facilities. Mr. Matt Castro of the Juvenile Probation Department reports that the Department's actual expenditures for CYA services for FY 1991-92 were \$98,583 (822 days at approximately \$120 per day, or \$3,611 per month). Mr. Castro indicates that the Department has included \$100,000 (approximately 862 days at \$116 per day, or \$3,480 per month) in its FY 1992-93 budget for CYA services. The City's Juvenile Hall rate is \$119 per day. Based upon actual expenditures for CYA services during FY 1991-92, the Department does not anticipate expending more than the \$100,000 which is included in its FY 1992-93 budget.

5. Ms. Chavez advises that if a Juvenile Court Judge requests an evaluation by CYA, the City is obligated to provide such an evaluation.

Recommendation: Approve the proposed ordinance.

Item 6 - File 82-92-7

Item: Resolution accepting a deed from Nihonmachi Parking Corporation to a sewer easement in Assessor's Block 686; and adopting a finding pursuant to City Planning Code Section 101.1.

Description: Nihonmachi Community Development Corporation is constructing a parking lot on an undeveloped property near the intersection of Laguna and Hemlock Streets, approximately one block north of the Japanese Cultural and Trade Center in Japantown. Development of the property requires that a sewer line be constructed under the parking lot. According to the Department of Public Works, there are no private sewer lines in San Francisco, and the sewer must be deeded to the City. Nihonmachi Community Development Corporation will assume the cost of constructing the sewer. The Department of Public Works would maintain the sewer.

The proposed resolution would authorize acceptance of an easement deed from Nihonmachi Parking Corporation for a sewer across a portion of the property, including the sewer improvements which will be constructed. The easement would be approximately 15 feet wide and 100 feet in length.

The proposed resolution would also adopt the findings of the City Planning Commission that the acceptance of the sewer easement is consistent with San Francisco's eight priority policies under Planning Code Section 101.1.

Comments: 1. Mr. Nat Lee of the Department of Public Works states that there would be no cost to the City for construction of the sewer or in exchange for the sewer easement. Costs to the City would be limited to maintaining the sewer after it is constructed, according to Mr. Lee. Mr. Henry Anderson of the Department of Public Works states that the estimated annual maintenance cost of a sewer this size would be approximately \$70, and the useful life of the sewer would be approximately 80 years.

2. The Department of City Planning reports that acceptance of the sewer easement is exempt from environmental review.

3. The eight priority policies of Planning Code Section 101.1 concern the impact of a project on the City's retail businesses, housing stock, affordable housing, traffic and parking, business opportunities, earthquake preparedness, historic buildings, and open space. By approving the proposed resolution, the Board of Supervisors would adopt the Planning Commission's finding that acceptance of the sewer easement would have no adverse impacts in these areas.

Recommendation: Approve the proposed resolution.

Items 7.8 and 9- Files 74-92-1, 74-92-2 and 74-92-3

1. The proposed ordinances would establish the 1992-93 property tax rates for the City and County of San Francisco (File 74-92-1), for the San Francisco Unified School District (File 74-92-2) and for the San Francisco Community College District (File 74-92-3). The rate proposed for the City's general tax rate of \$1.00 per \$100 of assessed valuation is the maximum allowable rate. The total tax rate of \$1.15, as calculated by the Controller, includes bond interest and redemption charges. The new rate is \$.029 more than the 1991-92 tax rate of \$1.121, as shown below. The Controller's Office reports that the increase is due to an increase of \$11.1 million for a variety of General Obligation bonds issued during 1991-92 and consequent increased General City debt service requirements.

	Actual 1991-92 <u>Rate</u>	Proposed 1992-93 <u>Rate</u>	Increase (Decrease)
<u>General Tax Rates</u>			
City and County of San Francisco:			
General Fund	\$0.87418319	\$0.86168319	(\$0.0125)
Children's Fund	0	0.0125	0.0125
Open Space Acquisition Fund	0.025	0.025	-
County Superintendent of Schools	0.00097335	0.00097335	-
S.F. Unified School District	0.07698857	0.07698857	-
S.F. Community College District	0.01444422	0.01444422	-
Bay Area Air Quality Management District	0.00208539	0.00208539	-
Bay Area Rapid Transit District	<u>0.00632528</u>	<u>0.00632528</u>	-
Subtotal, General Tax Rates	\$1.00	\$1.00	\$0.00
<u>Rates for Bonded Indebtedness</u>			
City and County of San Francisco	\$0.0917407	\$0.12002249	\$0.02828179
S.F. Unified School District	0.0041593	0.00417751	0.00001821
Bay Area Rapid Transit District	<u>0.0251</u>	<u>0.0258</u>	<u>0.0007</u>
Subtotal, for Bonded Indebtedness	<u>0.121</u>	<u>0.150</u>	<u>0.029</u>
Total Combined Tax Rate	\$1.121	\$1.150	\$0.029

2. As compared with the current 1991-92 \$1.121 tax rate, the 1992-93 proposed \$1.15 tax rate will have the following effect on a tax bill for a \$300,000 residence:

<u>1991-92</u>	<u>Value</u>	<u>Property Tax</u>
Assessed Value (1990-91)	\$294,118	
Add Annual 2% Increase	<u>5,882</u>	
Subtotal	\$300,000	
Less Homeowners Exemption	<u>7,000</u>	
Total	\$293,000	÷ \$100 x \$1.121 \$3,284.53
 <u>1992-93</u>		
Assessed Value (1991-92)	\$300,000	
Add Annual 2% Increase	<u>6,000</u>	
Subtotal	\$306,000	
Less Homeowners Exemption	<u>7,000</u>	
Total	\$299,000	÷ \$100 x \$1.15 <u>\$3,438.50</u>
 Net Increase in Property Tax Bill		 \$153.97

Recommendation

Approve the proposed ordinances.

Item 10 - File 101-92-2.2

1. The proposed ordinance would amend the previously approved 1992-93 Annual Appropriation Ordinance (File 101-92-2; Ordinance No. 249-92), giving effect to revenue changes pursuant to Charter Section 6.208 and adjusting appropriations to meet the requirements of the Arts Commission pursuant to Charter Section 6.400 (a)(2)(E), and the Airport (pursuant to Airport Commission Resolution No. 92-0211), as a pre-requisite to levy a tax pursuant to Charter Section 6.208. The proposed ordinance would make various revenue and expenditure adjustments to the 1992-93 City budget as follows:

- Adjust estimated revenues, reserves and surplus to the most current information available;
- Appropriate additional funds in the amount of \$23,492 to the Arts Commission for the Municipal Symphony Orchestra (one-eighth cent per \$100 of assessed valuation) as required by Charter Sections 6.400 (a)(2)(E) and 6.414;
- Reduce Airport landing fee revenue by \$6.5 million to conform to Airport Commission Resolution No. 92-0211, adopted by the Airport Commission on July 21, 1992, that sets forth a new schedule for airline terminal rates.
- Increase the General Fund General Reserve by \$1,174,534 through reductions to the Salary Standardization Reserve requirements for employee dental benefits.

2. The proposed budget changes would result in the following adjustments to the General Fund General Reserve:

General Fund General Reserve

Balance as Previously Approved by the Board of Supervisors in the Annual Appropriation Ordinance	\$5,600,000
Add: Excess Salary Standardization Reserve Appropriation	1,174,534
Less: Increased Appropriation Art Commission - Municipal Symphony Orchestra	<u>(23,492)</u>
General Fund - General Reserve Balance	\$6,751,042

BOARD OF SUPERVISORS
BUDGET ANALYST

3. In addition to the General Fund General Reserve balance of \$6,751,042, the City has the following major General Fund Reserves totaling \$35,877,990.

Major General Fund Reserves

Emergency Reserve Fund	\$4,498,046	
Dental Benefit Reserve	10,961,308	
Police Academy Class Reserve	350,000	
Public Library - Jails	35,000	
Police - Senior Escort	350,000	
Public Library - Sunday Service	215,000	
Audit Adjustment	4,500,000	
AIDS Programs	1,000,000	
Commission on the Status of Women Reserve	50,000	
Aids Prevention Group Meeting	60,000	
Collective Bargaining Fringe	400,000	
Sheriff - Alternative Treatment	399,675	
DPH - Disability Access Compliance	75,000	
Childrens' Zoo Admission	186,000	
Swimming Pool Hours Restoration	100,000	
COA - Recreational Therapy	57,847	
Reserve for Litigation	11,240,114	*
SFGH Capital Reserve	<u>1,400,000</u>	
Subtotal	\$35,877,990	
General Fund - General Reserve as shown above	<u>6,751,042</u>	
Total General Fund Reserves	<u>\$42,629,032</u>	

* The Reserve for Litigation includes the Board of Supervisors approved 1992-93 reserve of \$6,550,000 and carry forward funds from 1991-92 in the amount of \$4,690,114.

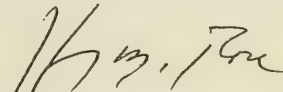
4. The proposed ordinance also provides that special fund 1991-92 fiscal year end surpluses are to be added to fund balances for the respective special funds. No amendments to 1992-93 expenditure appropriations have been submitted for the special funds.

Comment

Normally, this proposed ordinance, placing into effect final amendments to the Annual Appropriation Ordinance, would include property tax revenue adjustments based on finalization of the assessment rolls. However, as reported by the Controller at the Finance Committee meeting of August 26, 1992, the current 1992-93 adjustment to property tax revenues and to various other revenues will be made as part of the budgetary adjustments that must be made as a result of final adoption of the State Budget (see item 3, File 100-92-5 of this report to the Finance Committee).

Recommendation

Approve the proposed ordinance.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

SF
590.25
#2
9/9/92

DOCUMENTS DEPT.

SEP 17 1992

SAN FRANCISCO
PUBLIC LIBRARY

PUBLIC LIBRARY (2)
DOCUMENTS DIVISION
CIVIC CENTER

CALENDAR - Action Item

MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, SEPTEMBER 9, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ AND HALLINAN

ABSENT: SUPERVISOR MIGDEN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

- (a) File 27-92-8. [Airport Financing Grant - Federal Funds] Resolution authorizing Airports Commission to file application and accept and expend grant of \$11,885,183 from Federal Aviation Administration for assistance in improvement at the Airport (A.I.P. No. 14). (Airports Commission)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing Airports Commission to file application and accept and expend grant of \$11,885,183 from Federal Aviation Administration for assistance in improvement at the Airport (A.I.P. No. 14); placing \$10,399,433 on reserve."

- (b) File 27-92-9. [Hold Harmless Agreement] Resolution authorizing the Airports Commission to enter into hold harmless agreements with Oliver de Silva, Inc., for completion of work in contaminated areas. (Airports Commission)

ACTION: Recommended.

- (c) File 134-92-2. [Presidio Planning – Department] Resolution authorizing the Director of Planning to apply for, accept and expend funds from the National Park Service totalling \$160,053 for a period of thirteen months for Presidio planning, including ten percent for indirect costs. (Department of City Planning)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing the Director of Planning to apply for, accept and expend funds from the National Park Service not to exceed \$160,054 for a period of thirteen months for Presidio planning, including ten percent for indirect costs; and ratifying actions previously taken."

- (d) File 148-92-6. [Grant – Federal Funds] Resolution authorizing Director of Public Works to execute the necessary documents to apply for, accept and expend up to \$1,000,000 in Federal funds for curb ramp construction. (Department of Public Works)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing Director of Public Works to execute the necessary documents to apply for, accept and expend up to \$1,000,000 in Federal funds for curb ramp construction; placing \$904,382 on reserve."

- (e) File 148-92-7. [Grant – State Funds] Resolution authorizing Director of Public Works, Bureau of Architecture, to accept and expend four hazard mitigation grants of \$1,862,000, \$1,400,000, \$500,000 and \$1,209,500 from the California State Office of Emergency Services in behalf of Federal Emergency Management Agency (FEMA); waiving indirect costs. (Department of Public Works)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing Department of Public Works, Bureau of Architecture, to accept and expend four hazard mitigation grants of \$1,862,000, \$1,400,000, up to \$500,000 and \$1,209,500 from the California State Office of Emergency Services in behalf of Federal Emergency Management Agency (FEMA); waiving indirect costs; placing \$4,798,964 on reserve."

- (f) File 192-92-6. [Grant – State Funds] Resolution authorizing the Executive Director of the Department of Parking and Traffic to accept and expend a grant in the amount of \$263,000 of Proposition 116 funds for the Commuter Bikeway Improvement Program, foregoing reimbursement of indirect costs. (Department of Parking and Traffic)

ACTION: Recommended.

- (g) File 100-92-1.2. [Release of Funds] Requesting release of reserved funds, Redevelopment Agency, in the amount of \$3,450,000, for an economic development strategic plan and/or economic development implementation plan. (Redevelopment Agency)

ACTION: Release of \$2,450,000 recommended. Filed.

- (h) File 68-92-10. [Lead Based Paint Abatement Grant Program] Resolution authorizing the Mayor of the City and County of San Francisco to apply for, accept, and expend a grant from the U.S. Department of Housing and Urban Development for a total amount not to exceed six million dollars (\$6,000,000) for a program authorized under the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992, Public Law Number 102-139. \$600,000 of indirect costs associated with the acceptance of these grant funds is included in the application budget. (Supervisor Shelley)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing the Mayor of the City and County of San Francisco to apply for a grant for lead-based paint abatement from the U.S. Department of Housing and Urban Development for a total amount not to exceed six million dollars (\$6,000,000) for a program authorized under the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992, Public Law Number 102-139; \$600,000 of indirect costs associated with the acceptance of these grant funds is included in the application budget."

REGULAR CALENDAR

2. File 127-92-7. [Hotel Tax Exemption] Ordinance amending Part III of the Municipal Code by amending Section 506 to exempt certain hotels from the Hotel Tax. (Supervisor Hallinan)

ACTION: Continued to the Call of the Chair.

3. File 146-92-65. [Grant - Private and State Funds] Resolution authorizing the Department of Public Health, as subgrantee, in collaboration with the State Department of Mental Health, Children, Youth and Families Branch, as primary grantee, to accept and expend a two year extension grant from the Robert Wood Johnson Foundation of \$475,569 with \$1,060,000 of matching funds from the primary grantee for a total of \$1,535,569, which includes indirect costs in the amount of \$133,776 based on nine percent of salaries and other allowable costs, from the Robert Wood Johnson Foundation and indirect costs of ten percent from the State Department of Mental Health for the provision of a system of care for children and youth who are seriously emotionally disturbed and their families; companion measure to File 146-92-17. (Department of Public Health)

(Cont'd from 9/2/92)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing the Department of Public Health, as subgrantee, in collaboration with the State Department of Mental Health, Children, Youth and Families Branch, as primary grantee, to accept and expend, retroactively, a two-year extension grant from the Robert Wood Johnson Foundation of \$475,569 with \$1,050,000 of matching funds from the primary grantee for a total of \$1,525,569, which includes indirect costs in the amount of \$56,749 based on nine percent of salaries and other allowable costs, from the Robert Wood Johnson Foundation and indirect costs of ten percent from the State Department of Mental Health for the provision of a system of care for children and youth who are seriously emotionally disturbed and their families."

4. File 25-92-22. [Contracting Out City Services – Police Department] Resolution concurring with the Controller's certification that janitorial services can be practically performed for San Francisco Police Department facilities by private contractor for lower cost than similar work services performed by City and County employees. (Police Department)
(Cont'd from 8/12/92)

ACTION: Continued to September 16, 1992, meeting.

5. File 173-92-2. [Marine Terminal Agreement] Ordinance approving First Amendment to Marine Terminal Agreement with Evergreen Marine Corporation allowing a fifty percent sharing of demurrage revenue. (Port Commission)

ACTION: Recommended.

6. File 161-92-4.1. [Redevelopment Agency Budget and Bonds] Resubmission of the Redevelopment Agency Budget as approved as amended, as a condition of approval, to present the Agency's 1992-93 Fiscal Year Budget to the Board of Supervisors, by September 1, 1992 for reconsideration in light of the fiscal impact to the Agency and City and County that may result from the final adoption of Fiscal Year 1992-93 Budget for the State of California; companion measure to File 161-92-4.
(Redevelopment Agency)

ACTION: Continued to September 23, 1992, meeting.

7. File 97-92-50. [Fees] Ordinance amending Administrative Code, by adding Sections 8.36 and 8.36-1 thereto, authorizing the Juvenile Probation Department to charge fees for certain services and documents. (Juvenile Probation Department)

ACTION: Recommended.

CITY AND COUNTY



OF SAN FRANCISCO

DOCUMENTS DEPT.

BOARD OF SUPERVISORS

SEP 8 1992

BUDGET ANALYST

SAN FRANCISCO
PUBLIC LIBRARY

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

September 4, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendations*
SUBJECT: September 9, 1992 Finance Committee Meeting

Item 1a - File 27-92-8

Department: Airport

Item: Resolution authorizing the Airports Commission to file an application and accept and expend a grant from Federal Aviation Administration for assistance in the Airport Improvement Program (A.I.P. No. 14).

Grant Amount: \$11,885,183

Grant Period: Annual allotment - grant funds are available for reimbursement upon completion of project improvements.

Source of Funds: Federal Aviation Administration (FAA)
Airport Improvement Program (AIP)

Project: Improvements at the Airport

Description: The San Francisco International Airport is constructed on filled land overlaying geologically unstable Bay mud. As a result of heavy use, all runways and taxiways as well as supporting systems need constant repair and reconstruction. The proposed grant would reimburse the City for 75 percent of the construction costs of certain improvements to the Airport under the Airport and Airway Safety and Capacity Extension Act of 1987. The improvements under this

project would include (1) the construction and installation of approximately 200 lighted taxiway guidance signs (required by the FAA), (2) the construction and overlay of approximately 1,250 feet of a new Taxiway "W" extension and the maintenance of existing Taxiways "N" and "P", (3) the construction of a new holding apron (open space at the end of runway used for aircraft holding and safe by-pass area) with edge lighting and striping and (4) the construction of approximately 8,400 feet of new dike at the water boundary of the southeast quadrant of the Airport.

The estimated total cost of the above-noted improvements would be \$15,846,911, of which 75 percent or \$11,885,183 would be eligible for reimbursement by the FAA.

Proposed Budget:	Administration	\$50,000
	Architectural Engineering Basic Fees	1,000,000
	Project Inspection Fees	930,000
	Construction and Project Improvement	13,200,000
	Contingencies	<u>666,911</u>
	Total	\$15,846,911
	Federal Share @ 75 percent	\$11,885,183

Required Match: None

Indirect Costs: None. All indirect services provided by the City to the Airport and the Commission are covered in the Annual Service Payment pursuant to the Lease and Use Agreement between the City and the major airlines using San Francisco International Airport.

Comments: 1. Mr. Ernie Eavis of the Airport reports that the Airport had recently been engaged in a lawsuit with the FAA regarding whether or not Q-707 aircraft should be allowed to fly in and out of the Airport. The Airport believed that the Q-707 created too much noise. Mr. Eavis advises that this litigation has been settled in favor of the FAA. According to Mr. Eavis, it is now anticipated that all outstanding AIP grant monies, which were being withheld by the FAA pending a settlement of this litigation, will now be made available to the Airport. The total AIP grant monies due to the Airport, excluding the \$11,885,183, which is the subject of this report, is \$64,390,930, according to Mr. Eavis.

2. Mr. Eavis advises that the Airport does not match the AIP grant funds per se, but is reimbursed, subject to audit, for up to 75 percent of the total actual cost of design, inspection and construction. Mr. Eavis states that the initial reimbursable construction costs, as well as the 25 percent Airport share, is paid from Airport revenue bonds.

3. According to Mr. Eavis, the Airport has not, as yet, selected contractors to perform the proposed construction. Of the total \$15,846,911 project budget, \$13,865,911 would be allocated to contractors (\$13,200,000 in Construction and Project Improvement and \$666,911 or 5 percent in Contingencies). Administration, Architectural Engineering Basic Fees, and Project Inspection Fees would be provided in-house. Therefore, \$10,399,433, or 75 percent of \$13,865,911 should be placed on reserve pending information regarding the contractors' cost details and the MBE/WBE status of the contractors.
4. Attached is a grant summary, as prepared by the Airport, for this proposed grant.
5. The Airport has prepared a Disability Access Checklist for the proposed grant. A copy of this checklist is in the file.

Recommendation: Amend the proposed resolution to reserve \$10,399,433 pending information on contractors' cost details and the MBE/WBE status of the contractors and approve the proposed resolution as amended.

LETTER OF INTENT

Grant Application Information Form

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: Airport

Contact Person: Ernie Eavis Telephone: 737-7747

Project Title: Airport Improvement Program 14

Grant Source: Federal Aviation Administration

Proposed (New / Continuation) Grant Project Summary:

See Attached Narrative Description

Amount of Grant Funding Applied for: \$11,885,183

Maximum Funding Amount Available: \$11,885,183

Required Matching Funds: None

Number of Positions Created and Funded: 0

Amount to be Spent on Contractual Services: None Contemplated

Will Contractual Services be put out to Bid? N/A

Term of Grant: Yearly Allotment

Date Department Notified of Available Funds: _____

Application Due Date: September 1992

Grant Funding Guidelines and options (from RFP, grant announcement of appropriations legislation):

Available grant funds for Airport Improvement Program (AIP) projects, in the form of a trust, are derived from Federal excise taxes on passenger ticket, freight forwarding, fuel, and tire sales as authorized by the Airport and Airway Improvement Act of 1982 (PL-248). San Francisco International Airport (SFIA) is allotted an annual share based upon actual passenger and freight totals for the year prior to the AIP application. The allotment is used to reimburse 75% of the actual design, inspection and construction cost of the selected airfield improvements.

Assessment of Need for Grant Funding: The projects listed in this grant application are already included in the Aiports 5 year Capital Improvement Program. If Grant Funding is not obtained the monies that would have gone to SFIA will be put back into the trust fund and disbursed to other airports as discretionary grants. The projects listed in the A.I.P. #14 will still be constructed, however, without the Federal Funding.



Department Head Approval

NARRATIVE PROJECT DESCRIPTION

The Airports Commission of the City and County of San Francisco is submitting a request for Federal financial assistance under the Airport Improvement Program authorized by the Airport and Airway Improvement Act of 1982, for the projects described below at San Francisco International Airport.

1. Project Title: Fabrication and Installation of Taxiway Guidance Signs.

Description:

This project provides for the fabrication and installation of approximately 200 new lighted taxiway guidance signs, the elimination and relocation of certain existing taxiway guidance signs and all appurtenant and necessary work on the SFO airfield in order to comply with the new FAA standards for airport sign systems, effective July 31, 1991.

Purpose:

The purpose of this project is to eliminate all unlighted taxiway guidance signs at SFIA and to improve visibility and safety for increased numbers of aircraft during all weather conditions in compliance with FAA's new taxiway guidance sign standards.

2. Project Title: Construction and Repair of Taxiways @ Taxiways "W", "N", and "P".

Description:

This project provides for the construction of approximately 1100' of Taxiway "W" extension between Runways 28R and 28L and between Runway 28L and Taxiway "E". The remainder of construction and repair will be allocated on an "as needed" basis along approximately 2700' of Taxiways "N" and "P".

Purpose:

The purpose of this project is to provide quick and safe access to Runway 28L and 28R directly from Taxiway "E" for aircraft circumventing aircraft waiting to take off on Runways 28L and 28R and to provide on going maintenance for heavily used Taxiways "N" and "P" which will include enlarging fillets at the Taxiway and Runway intersections.

3. Project Title: Construction of Runway 28L-10R East End Hold Apron Extension and Runway 10L-28R West-End Hold Apron widening.

Description:

This project provides for the Construction of a 2000' X 400' apron extension at the east end of Runways 28L and 28R together with all edge lighting, striping and any appurtenant and necessary work and the widening of the Runway 10L West-End Hold Apron with two 1000' X 200' strips together with the edge lights, striping, and any appurtenant and necessary work.

Purpose:

The purpose of the east end apron project is to provide an aircraft holding apron for heavy long range aircraft waiting to take off on either Runway 28L or 28R as well as a safe by-pass for aircraft enroute to either runway in order to conserve fuel and reduce take-off delay time. The purpose of the west end apron widening project is to provide a safe roll-out area for aircraft in case of an aborted take-off.

4. Project Title: Reconstruction of Airfield Perimeter Dike-Phase 8.

Description:

This project provides for the construction and the building-up of approximately 8,400' of dike at the water boundary of the Southeast quadrant of the Airport. The dike will parallel both Runways 19L-1R and 10R-28L and will consist of impervious membrane covered with rock and faced with concrete.

Purpose:

The purpose of this project is to prevent tidal water from San Francisco Bay from encroaching upon and inundating Runways 19L-1R and 28L-10R. The area is one of constant and marked settlement which when combined with rain storms from the Southeast and high tides pose a constant threat of flooding and the potential for unsafe conditions and departure delays.

Item 1b - File 27-92-9

Department: Airport

Item: Resolution authorizing the Airports Commission to enter into hold harmless agreements with Oliver de Silva, Inc., for completion of work in contaminated areas.

Description: The Airport reports that during the performance of construction work to widen and relocate Taxiway "C" at the Airport, the contractor, Oliver de Silva, Inc., encountered soil contamination. In response to the soil contamination encountered by the contractor, the Airport retained an environmental consultant to characterize the extent of the existing soil and groundwater contamination at the project site.

Based on the consultant's report, four separate areas within the project site were identified as being contaminated with jet fuel and/or gasoline. The Airport advises that in order to complete the project, it will be necessary for Oliver de Silva, Inc. to perform additional work, including remediation work to clean up the contaminants in the project site. The Airport states that a change order to perform this unanticipated work has been negotiated with the contractor.

In accordance with the proposed resolution, Oliver de Silva, Inc. has requested that the Airport execute hold harmless agreements as a condition of performance of the change order work. The two agreements would hold Oliver de Silva, Inc. harmless from any liability resulting from (1) the site investigation performed by the environmental consultant, and (2) the pre-existing condition of the work site and the excavation, on-site transportation and storage of contaminated soils and groundwater, so long as such work is performed according to the City's directives. The agreements provide that the City would assume liability for damages which may occur as a result of Oliver de Silva Inc.'s proper performance of the change order work.

Comments: 1. Under the terms of the change order, in addition to the insurance coverage called for in the original contract, the contractor will be required to procure and maintain Pollution Legal Liability Insurance in the amount of \$5,000,000 for combined bodily injury and property damages. The City will be named an additional insured under this policy.

2. Mr. Robert Maerz of the City Attorney's Office advises that the change order defines "proper performance" as "the contractor's performance of the change order work in strict accordance with the instructions, guidelines, directives, and training communicated to Oliver de Silva by the City and County and/or environmental consultant."

3. Mr. Maerz reports that under the hold harmless agreements, the City would be liable for damages that exceeded the \$5,000,000 Pollution Legal Liability coverage if damage resulted from the contractor's performance of work in accordance with City directives. Mr. Maerz advises that given the type of contaminate and levels of contamination it is not likely that a suit for damages would exceed \$5,000,000. The City Attorney has reviewed and approved the hold harmless agreements as to form and is of the opinion that the agreements adequately protect the City's interests.

Recommendation: Based on the advice of the City Attorney's Office, the Budget Analyst recommends that the proposed resolution be approved.

Item 1c - File 134-92-2

Department: City Planning Department

Item: Resolution authorizing the Director of Planning to apply for, accept, and expend funds from the National Park Service totalling \$160,053 for a period of thirteen months for Presidio planning, including ten percent for indirect costs.

Grant Amount: \$160,053

Grant Period: September 1, 1992 through September 30, 1993 (13 months)

Source of Funds: National Park Service, U.S. Department of Interior

Project: Presidio Planning Grant

Description: The City has entered into a Memorandum of Understanding (MOU) with the National Park Service in order to coordinate planning activities between the City and the Federal government concerning future uses for the Presidio. The MOU provides that the National Park Service will provide funds in the amount of \$87,342 to the Department of City Planning for a Presidio Planner for the duration of the planning process. The Presidio Planner will coordinate the planning activities of the City and the National Park Service concerning future use of the Presidio.

The Department of City Planning is also seeking funds in the amount of \$72,712 from the National Park Service for the cost of proposed City Planning Department services related to the preparation of the Draft and Final Documents for the Presidio General Management Plan and Environmental Impact Statement.

Budget: Presidio Planner (12 months)

<u>Class</u>	<u>FTE</u>	<u>Amount</u>
Planner IV	1.0	\$63,713
Fringe Benefits	--	<u>15,689</u>
Total	1.0	\$79,402
Indirect Costs (10 percent)		<u>7,940</u>
Subtotal: Presidio Planner		\$87,342

Other Work Activities (13 months)

<u>Class</u>	<u>Hours</u>	<u>Billing Rate</u>	<u>Amount</u>
Planner II	78	\$32	\$2,496
Planner III	603	38	22,914
Planner IV	332	47	15,604
Planner V	<u>448</u>	56	<u>25,088</u>
Total	1,461		\$66,102

Indirect Costs (10 percent) 6,610

Subtotal: Other Work Activities 72,712

Total Proposed Grant Amount \$160,054

Required Match: None

Indirect Costs: Indirect costs are allowed based on 10 percent of the total cost of services provided by the Department of City Planning. Based on costs of \$145,504 (\$79,402 for the Presidio Planner plus \$66,102 for other work activities), indirect costs are allowed in the amount of \$14,550 (\$7,940 for the Presidio Planner and \$6,610 for other work activities).

Comments: 1. Ms. Martha Kessler of the City Planning Department states that the National Park Service has not yet agreed to reimburse the total cost of the Department's proposed services for the 13-month period between September 1, 1992 and September 30, 1993.

According to Ms. Kessler, the National Park Service has agreed to reimburse the cost of the Presidio Planner for the 12-month period between October 1, 1992 and September 30, 1993, in keeping with the provisions of the MOU. This position has been funded for approximately two years, according to Ms. Kessler, and is currently funded through September 30, 1992, which is the end of the Federal fiscal year. Total reimbursement for the Presidio Planner will be \$79,402 for salary and benefits of the employee, plus indirect costs of \$7,940, for total reimbursement of \$87,342.

Ms. Kessler states that the Department of City Planning has submitted a proposed work plan to the National Park Service which includes 1,461 hours of additional services by City Planning Department employees, other than the Presidio Planner, for the 13-month period between September 1, 1992 and September 30, 1993. This component has not previously been funded, according to Ms. Kessler, and it is this

BOARD OF SUPERVISORS
BUDGET ANALYST

component of the proposed work plan which has not yet been agreed to by the National Park Service. The reimbursement, if approved by the National Park Service, would consist of \$66,102 for direct services and indirect costs of \$6,610, for a total of \$72,712.

Ms. Kessler indicates that the City Planning Department would perform only those services which are reimbursed by the National Park Service.

2. As shown above, the City Planning Department has used an hourly billing rate to estimate its costs of performing transportation analyses and environmental impact evaluations in connection with the Presidio Master Plan and Environmental Impact Statement.

Ms. Kessler reports that the hourly rates have been derived based on actual costs for salaries and fringe benefits, plus 17 percent of the hourly rate, as compensation for estimated hourly overhead.

As noted above, the National Park Service would also contribute indirect costs, calculated at 10 percent of direct costs, for the Presidio Planner as well as any additional hourly services which are funded.

3. The text of the proposed resolution states that an amount "not to exceed \$160,053" is being requested. As previously noted (see Comment No. 1), the Department of City Planning is requesting \$87,342 for the Presidio Planner and \$72,712 for other work activities, for a total of \$160,054. Therefore, the text of the proposed resolution should be amended to reflect that an amount "not to exceed \$160,054," rather than \$160,053, is being requested. As previously noted, the actual amount to be accepted and expended would depend on the amount finally agreed to by the National Park Service.

The title of the proposed resolution, reflecting authorization to apply for, accept and expend funds "totalling \$160,053," should also be amended to reflect an amount "not to exceed \$160,054," consistent with the text of the resolution.

The City Planning Department submitted the funding request to the National Park Service in July, 1992. Since the proposed resolution includes authorization to apply for funds which have already been requested, the proposed resolution should be amended to ratify actions previously taken.

4. A copy of the Grant Application Information Form submitted by the City Planning Department is attached.

Recommendations: 1. Amend the title of the proposed resolution by substituting the words "not to exceed \$160,054" for the words, "totalling \$160,053," and by adding the words "and ratifying actions previously taken" at the end of the title.

2. Amend the text of the proposed resolution as follows:

(a) by substituting "\$160,054" for "\$160,053" at page 2, line 3 and at page 2, line 9;

(b) by adding the words "and ratifies actions previously taken" at the end of line 10.

3. Approve the proposed resolution, as amended.

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: City Planning

Contact Person: Martha Kessler Telephone: 558-6417

Project Title: Presidio Planning

Grant Source: U.S. Department of the Interior

Proposed (New / Continuation) Grant Project Summary:

The grant implements the Memorandum of Understanding between the City and County of San Francisco and the National Park Service, Golden Gate National Recreation Area to provide funding for a staff person to coordinate City activities related to planning for the future of the Presidio.

In addition, the Department is proposing additional funding for Department work activities related to the Draft and Final Documents associated with the General Management Plan and the Environmental Impact Statement.

Amount of Grant Funding Applied for: \$160,053 (including 10% indirect costs)

Maximum Funding Amount Available: \$160,053

Required Matching Funds: None

Number of Positions Created and Funded: One

Amount to be Spent on Contractual Services: None

Will Contractual Services be put out to Bid? Not applicable

September 1, 1992 through September 30, 1993

Term of Grant: _____

Date Department Notified of Available funds: June 30, 1992
September 30, 1992

Application Due Date: _____

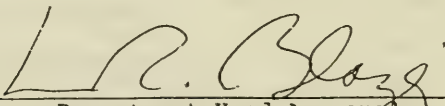
Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

This is a special grant designed to provide the City and County of San Francisco the resources to ensure meaningful participation in the planning process for the future of the Presidio.

Assessment of Need for Grant Funding:

It is critical that City interests and concerns be represented in day-to-day planning efforts for the future of the Presidio. City Departments need a liaison person to coordinate City initiatives and responses, to staff committees and task forces, and to keep the Department abreast of ideas, issues, concerns and opportunities related to the future of the Presidio.

In addition, in the critical 12 months ahead, the City needs its experts in transportation and environmental review to participate in review of the General Management Plan and the Environmental Impact Statement.



Department Head Approval

Item 1d - File 148-92-6

Department: Department of Public Works (DPW)

Item: Resolution authorizing the Director of Public Works to apply for, accept, and expend up to \$1,000,000 in Federal funds for curb ramp construction. (A curb ramp allows wheelchair access between a sidewalk and a pedestrian crosswalk.)

Grant Amount: Up to \$1,000,000

Grant Period: October 1992 through September 1994 (two years)

Source of Funds: 1993 Federal Transportation Improvement Program funds from the Surface Transportation Program (STP)

Project: Surface Transportation Program (STP)

Description: The Surface Transportation Program (STP) is a new grant program under the Inter modal Surface Transportation Efficiency Act of 1991 which re-authorizes existing Federal highway and transit programs for the next six years. The funds for this application will be used to construct and reconstruct a total of 524 curb ramps at various shopping area district locations, as follows:

Location	<u>Number of New or Reconstructed Curb Ramps</u>
Sacramento St. at Lyon and Walnut	4
California St. at Locust, Parker and Laurel Sacramento St. at Laurel	6
California St. at 4th, 5th and 6th	9
Arguello Blvd. at Cornwall Clement St. at Arguello, 2nd, 9th, 10th, 11th and 12th	14
Clement St. at 19th, 20th, 21st, 22nd, 23rd, 25th, 26th 27th, 28th and 29th	24
Clement St. at 31st, 32nd, 33rd and 34th	12
Divisadero St. at Haight and Hayes	4
Haight St. at Cole, Belvedere, Stanyan, Shrader, Clayton, Central and Ashbury	22

Location	Number of New or Reconstructed <u>Curb Ramps</u>
Cole St. at Parnassus	1
Irving St. at 5th, 6th, 7th, 9th, 11th, 13th, 14th and Ulloa	12
Judah St. at 46th	3
Noriega St. at 21st, 22nd, 23rd, 24th, 25th and 27th	11
Noriega St. at 31st and 33rd	4
Taraval St. at 14th, 17th, 18th, 19th, 20th, 21st, 22nd, 23rd, 24th, 25th, 26th, 27th, 28th, 29th, 30th, 31st, 32nd and 33rd	39
West Portal Avenue at 15th	2
Portola Drive at Terrisita	2
Ocean Avenue at Lagunitas, Woodacre	2
Ocean Avenue at San Fernando	2
Ocean Avenue at Brighton, Jules, Lee, Ashton, Harold, Plymouth-North, Miramar, Fairfield, Keystone, Jules, Faxon, Victoria, Granada and Lakewood	32
Diamond Street at Bosworth	2
Mission Street at St. Mary's, Crescent and Highland	3
Mission Street at Maynard, Admiral and Castle Manor	3
Mission Street at Persia, Tingley, Geneva, Santa Rosa, Harrington, Edinburg, Pope, Leo, Onondaga, Russia, Ruth, Seneca, Theresa, Naples, Vienna, Mt. Vernon, Allison and Ocean	
Geneva Avenue at Vienna and Paris	37
Leland Avenue at Alpha, Cora, Desmond, Peabody, Rutland and Third	16
San Bruno Avenue at Wayland, Stilman, Felton, Silver, Thornton, Bacon and Burrows	18
Third Street at Thornton, La Salle, Lane, McKinnon, Shafter, Thomas Underwood, Van Dyke, Newcomb and Bay View	26

Location	Number of New or Reconstructed Curb Ramps
Cortland Avenue at Wool, Bennington, Folsom, Anderson, Andover and Moultrie	17
Mission Street at 29th, Tiffany and Virginia Valencia Street at Tiffany/Duncan 29th Street at Tiffany	8
Church Street at 30th	3
24th Street at Sanchez and Vicksburg	2
Market Street at Valencia, Clinton Park, Noe, Octavia, Valencia, Church, Guerrero/Laguna, 14th and Duboce	18
Divisadero Street at Post Scott Street at Post and Sutter	9
Fillmore Street at Fulton, Eddy, Geary, O'Farrell, McAllister, Jackson, Clay, Bush, California, Pine, Sacramento and Sutter Steiner Street at Geary, Sutter and O'Farrell Webster Street at Sacramento, Sutter, Geary and Sacramento Buchanan Street at Post	47
Van Ness Avenue at Sacramento, Pacific, Austin, Pine, Jackson, Daniel Burnham, Post, Fern, Hemlock, California, Clay, Washington, Broadway, Cedar, Bush and Sutter Polk Street at Vallejo, Fern, Broadway, Filbert, Geary, Union, Bonita, Sutter, Washington, Green, Cedar, Hemlock, Post, Frank Norris/Austin and Sacramento Larkin Street at Washington, Clay, Cedar, Fern, Bush, California, Sacramento, Hemlock, Hyde Street at California and Pine	86
Union Street at Steiner, Laguna, Webster and Buchanan	6
Chestnut Street at Scott Fillmore Street at Pixley, Mallorca, Filbert and Moulton Lombard Street at Steiner and Fillmore	13
San Jose Avenue at Santa Rosa	2
Leland Street at Delta	<u>3</u>
Total	524

Project Budget:

	<u>Federal Funds</u>	<u>Local Match</u>	<u>Total Project</u>
DPW and Related City Costs			
Engineering and Construction			
Management	\$95,601	\$12,423	\$108,024
Indirect Cost	<u>0</u>	<u>56,400</u>	<u>56,400</u>
Subtotal	\$95,601	\$68,823	\$164,424
Contractual Services			
Construction Contracts	\$822,165	\$106,835	\$929,000
Construction Contingencies (10%)	<u>82,217</u>	<u>10,684</u>	<u>92,901</u>
Subtotal	\$904,382	\$117,519	\$1,021,901
Total	<u>\$999,983</u>	<u>\$186,342</u>	<u>\$1,186,325</u>

Required Match: \$186,342, includes either or both State Traffic Systems Management (TSM) funds and local sales tax.

Indirect Costs: \$56,400. Not eligible for Federal grant funding. Indirect costs will be paid from local match.

Comments: 1. DPW has submitted the attached Grant Application Information Form which summarizes the proposed grant request.

2. The selections of the proposed 524 curb ramp constructions and reconstructions are based on DPW's program to target shopping areas, schools, hospitals, public facilities and recreation areas throughout the City for curb ramp construction and reconstruction. The departmental program estimates that to complete curb ramp constructions and reconstructions for the entire City would cost approximately \$10 million.

3. Federal funding will cover 88.5 percent of eligible costs which is computed as follows:

Total Project Cost	\$1,186,325
Less Indirect Costs	<u>56,400</u>
Subtotal	1,129,925
Federal Eligibility Percent	<u>x .885</u>
Total Federal Funds	\$999,983

BOARD OF SUPERVISORS
BUDGET ANALYST

4. Ms. Karen Gelman of DPW's Bureau of Construction Management advises that the San Francisco County Transportation Authority has already appropriated \$600,000 in local sales taxes and \$200,000 in Transit Development Act (TDA) Article 3 funds for the construction of curb ramps. If State Traffic Systems Management (TSM) funds, a component of Proposition 111 Gas Tax Funds, are not available, in whole or in part, to fulfill the local match for the subject grant application, up to \$186,324 of the \$600,000 in local sales tax funds will be substituted to make up the difference.

5. Ms. Gelman also advises that Requests for Proposals (RFP) have not been initiated for contractual services totaling \$1,021,901. Under these circumstances, a total of \$904,382 in Federal funds should be reserved pending identification of the contractors, the MBE/WBE/LBE status of the contractors and the contractors' cost details.

Recommendation: Amend the proposed resolution to reserve \$904,382 for contractual services as identified in Comment 5 above, pending identification of the contractors, the MBE/WBE/LBE status of the contractors and the contractors' cost details, and approve the proposed resolution as amended.

File Number _____

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: PUBLIC WORKS

Contact Person: Karen Gelman Telephone: 554-8235

Project Title: Curb Ramp Construction

Grant Source: Surface Transportation Program (STP)

Proposed (New / Continuation) Grant Project Summary:

The Surface Transportation Program (STP) is a new grant program under the Intermodal Surface Transportation Efficiency Act of 1991 which authorizes federal highway and transit programs for the next six years. This grant request is for curb ramp construction at various locations throughout the City and County of San Francisco.

Amount of Grant Funding Applied for: \$1,000,000

Maximum Funding Amount Available: \$1,000,000

Required Matching Funds: \$186,342

Number of Positions Created and Funded: 0

Amount to be Spent on Contractual Services: \$904,382

Will Contractual Services be put out to Bid? Yes

Grant Application Information Form
Page 2

Term of Grant: Through federal fiscal year 93-94

Date Department Notified of Available funds: July 1992

Application Due Date: September 23, 1992

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

Federal Highway Administration (FHWA) funding guidelines, as administered by California Department of Transportation (Caltrans).

Department Head Approval

Item 1e - File 148-92-7

Department: Department of Public Works (DPW), Bureau of Architecture
Department of Public Health (DPH):
Laguna Honda Hospital (LHH)
San Francisco General Hospital (SFGH)
Fire Department

Item: Resolution authorizing DPW to accept and expend four new Federal Hazard Mitigation grants and waiving indirect costs.

Grant Amounts:

Laguna Honda Hospital-Boiler Plant	\$1,862,000
San Francisco General Hospital-Service Bldg.	1,400,000
Fire Department:	
Emergency Generators	500,000
Station Renovations	<u>1,209,500</u>
Total	\$4,971,500

Grant Period: Beginning 60 days from acceptance of the grant and ending 36 months from acceptance of the grant, or a 34 month period.

Source of Funds: Federal Emergency Management Agency (FEMA) through the California State Office of Emergency Services

Project: Emergency Generator Relocation

Description: In October, 1990, the Board of Supervisors authorized the Chief Administrative Officer (CAO) to apply for Hazard Mitigation Grant funding from the FEMA for City projects to mitigate against future hazards due to earthquakes (File 133-90-2). The CAO submitted an application for various projects totalling \$17,739,789 which included the four projects that are the subject of the proposed legislation.

LHH Boiler Plant

The LHH Boiler Plant was built in 1926 and does not meet current seismic standards. The proposed hazard mitigation retrofitting of this building would include bracing and anchoring of utility pipes for steam, gas, water and electricity, the bracing and anchoring of two 150,000 gallon water tanks located on the hill above the hospital, construction of a second, emergency alternate water supply line from the tanks to the hospital buildings and anchoring of main utility pipes between hospital buildings. These improvements will assure the ability of the LHH to continue to provide services after a major earthquake.

SFGH Service Building

The SFGH Service Building distributes all utilities (heat, power, water and medical gases) to all SFGH buildings. Changes in State regulations regarding construction of hospitals currently exceed the 1967 Uniform Building Code requirements that were followed in constructing the SFGH Service Building in 1972. The Service Building would be structurally reinforced to meet the current State requirements and to withstand a major earthquake. The piping, conduits and ducting that distributes these utilities to the various hospital buildings would be seismically anchored and braced. The proposed grant would also fund construction of a new water storage tank that would contain sufficient water to supply the steam driven power plant for one day.

Fire Department Emergency Generators

The proposed grant for emergency generators for the Fire Department would allow for the installation of emergency generators for 20 fire stations that do not currently have emergency generators. After an earthquake, the emergency generators would keep communications equipment fully operational and would provide power for all station functions (after the Loma Prieta earthquake, numerous neighborhood residents gathered at the fire stations). The installation would include the purchase of diesel generators having fuel tanks with a three day capacity, installation on a concrete base, construction of a weatherproof enclosure for the generators and corresponding wiring and switches to connect the generators to the stations.

Fire Department Station Renovations

The proposed grant for the renovation of six fire stations would provide for construction to reinforce the structural integrity of buildings housing Stations 11, 15, 21, 35 (Arson Task Force), 38 and the Ashbury Tank House.

Project Budget:

The Bureau of Architecture estimates the costs for the four projects as follows:

LHH - Boiler Plant

	<u>FEMA Grant</u>	<u>City Costs</u>	<u>Project Total</u>
Construction	\$1,689,464	\$949,527	\$2,638,991
Preliminary Planning	0	28,200	28,200
Design and Engineering	145,600	307,500	453,100
Project Administration	26,936	42,953	69,889
Inspections	0	160,538	160,538
Permits and Testing	0	66,170	66,170
Contingencies	<u>0</u>	<u>307,112</u>	<u>307,112</u>
Project Total	\$1,862,000	\$1,862,000	\$3,724,000

SFGH - Service Building

	<u>FEMA Grant</u>	<u>City Costs</u>	<u>Project Total</u>
Construction	\$1,400,000	\$378,000	\$1,778,000
Construction Management	0	85,000	85,000
Design and Constr. Admin.	0	376,000	376,000
Project Management	0	67,000	67,000
Inspections	0	85,000	85,000
Permits and Testing	0	140,000	140,000
Contingencies	<u>0</u>	<u>269,000</u>	<u>269,000</u>
Project Total	\$1,400,000	\$1,400,000	\$2,800,000

Fire Dept. - 20 Generators

	<u>FEMA Grant</u>	<u>City Costs</u>	<u>Project Total</u>
Generators & Construction	\$418,800*	\$249,200	\$668,000*
Construction Management	0	51,400	51,400
Design	0	51,400	51,400
Contingencies	<u>0</u>	<u>66,800</u>	<u>66,800</u>
Project Total	\$418,800*	\$418,800	\$837,600*

*Based on the Bureau of Architecture's preliminary estimate of \$837,600 for this project, FEMA would grant only half or \$418,800 of the estimated cost (FEMA requires a 100 percent match). The Fire Department recommends that the legislation be amended to state the grant amount as "up to \$500,000" instead of the amount of "\$500,000" that was included in the original grant application, in case there are any cost overruns on the project and the full \$500,000 in FEMA funding can be justified.

Fire Dept. - Station Renovations

	<u>FEMA Grant</u>	<u>City Costs</u>	<u>Project Total</u>
Construction	\$1,209,500	\$2,263,500	\$3,473,000
Project Management	0	104,000	104,000
Design and Engineering	0	485,000	485,000
Constr. Mgmt. & Insp.	0	208,000	208,000
Programming & Planning	0	68,000	68,000
Permits	0	71,000	71,000
Contingencies	<u>0</u>	<u>436,500</u>	<u>436,500</u>
Project Total	\$1,209,500	\$3,636,000	\$4,845,500
Grand Total - Four Projects	\$4,890,300	\$7,316,800	\$12,207,100

Required Match: 100 percent of FEMA funding. All of the above projects except for the Fire Department Emergency Generators meet the match requirement. As noted above, an amendment to the proposed legislation will bring the Emergency Generator project into agreement with the 100 percent FEMA matching rule.

Indirect Costs: Not allowed by FEMA. Therefore, the proposed resolution would authorize DPW to waive indirect costs.

Comments: 1. Although the Disability Access Checklist and the Summary of Grant Request forms are not in the file as of the writing of this report, Mr. John Sucich of the CAO's Office indicates that these forms will be added to the file before the Finance Committee meeting.

2. Currently the four projects are still in the design phase and have not progressed to the bidding phase. Therefore, the proposed grant amounts for construction totalling \$4,798,964 (\$1,689,464+\$1,400,000+\$500,000+\$1,209,500) should be reserved pending selection of the construction contractors and determination of the contractors' Minority Business Enterprise or Women Business Enterprise (MBE/WBE) status.

Recommendations: 1. Amend the proposed resolution to reserve a total of \$4,798,964 for construction contracts as follows:

LHH Boiler Plant	\$1,689,464
SFGH Service Building	1,400,000
Fire Department Emergency Generators	500,000
Fire Department Station Renovations	<u>1,209,500</u>
Total	<u>\$4,798,964</u>

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
August 12, 1992

2. Amend the proposed resolution to state that the FEMA grant amount for the Fire Department Emergency Generators is "up to \$500,000".

3. Approve the proposed resolution as amended.

Item 1f - File 192-92-6

Department: Department of Parking and Traffic (DPT)

Item: Resolution authorizing the Executive Director of the Department of Parking and Traffic to accept and expend a grant in the amount of \$263,000 of Proposition 116 funds for the Commuter Bikeway Improvement Program, foregoing reimbursement of indirect costs.

Grant Amount: \$263,000

Grant Period: Fifteen months following final agreement with CalTrans (see Comment No. 7)

Source of Funds: California Department of Transportation -- Proposition 116

Project: Commuter Bikeway Improvement Project

Description: In June, 1990, California voters approved Proposition 116, which provides approximately \$4 million annually for bicycle programs throughout the State, awarded on a competitive basis. In August, 1991, the Board of Supervisors authorized the Department of Parking and Traffic to apply for up to \$694,324 in Proposition 116 funds in order to restripe the right hand lanes of certain City streets to accommodate bicycle traffic.

The proposed resolution would authorize the Department of Parking and Traffic to accept and expend \$263,000 in Proposition 116 funds which the State Department of Transportation (CalTrans) has approved for allocation to San Francisco. The funds would be used to restripe City streets which are designated as bicycle commute routes in the City's Master Plan. All of the streets to be restriped using the proposed grant funds are 4-lane roads (2 lanes in each direction). In each direction, the left-hand lane would be narrowed in order to widen the right-hand lane to improve bicycle access and safety. This would not entail establishing "bike lanes" on the roadway. The DPT reports that the proposed projects are expected to be completed by early March, 1993.

The proposed grant funds would be allocated under the State's 1991-92 Proposition 116 bicycle program. The Department of Parking and Traffic must apply by November 20, 1992 for funds available in 1992-93 under this program.

Budget:

	<u>Amount</u>
Traffic Engineering Services	\$13,150
Materials and supplies	8,000
Labor	
7,739 hours @ \$31.25/hour	<u>241,850</u>
Total Grant Amount	\$263,000

Required Match: None

Indirect Costs: Reimbursement for indirect costs is not allowed under this grant, according to CalTrans. Therefore, the proposed resolution states that indirect costs would be foregone.

Comments:

1. The Bicycle Advisory Committee reports that wider right hand lanes will enhance bicycle safety, attract a larger number of bicycle commuters, and implement transportation control measures contained in the Metropolitan Transportation Commission's Regional Transportation Plan. Increased bicycle commuting will also improve regional air quality, according to the Bicycle Advisory Committee.

2. DPT has prepared a 5-year plan for the expenditure of Proposition 116 funds for bicycle improvements, involving bicycle-related restriping projects for approximately 26.7 miles of City streets. The total cost of the 5-year plan is approximately \$1.5 million, including \$694,324 for fiscal year 1991-92.

3. The grant amount of \$263,000 which has been approved by CalTrans is \$431,324 or approximately 62 percent less than the \$694,324 for which the Department of Parking and Traffic (DPT) applied in August, 1991 (File 192-91-2).

Mr. Peter Tannen, DPT Bicycle Coordinator, states that the streets to be restriped would be selected from DPT's existing "priority list" of bicycle improvement projects. However, the specific streets which would be restriped using the actual grant amount of \$263,000 has not yet been determined, according to Mr. Tannen. The street restriping projects identified by DPT as being of highest priority (Priority One) would require expenditures of approximately \$239,329, according to DPT. Projects included in the Priority Two list of projects are estimated to cost \$90,000. The \$329,329 total cost of these projects exceeds the proposed grant amount by \$66,329.

The Priority One list of projects includes lane widening and street restriping on Third Street, Ninth Street, Tenth Street, Alemany Blvd., Arguello Blvd., Army Street, Bayshore Blvd., Bosworth Street, Folsom Street, Geneva Avenue, Laguna Honda Blvd., Larkin Street, Portola Avenue, and Woodside Avenue.

Priority Two projects include proposed lane widening and street restriping on Fulton Street, Geary Blvd., and Industrial St.

4. According to DPT, all of the streets which have been included in the Proposition 116 Bicycle Program have been designated as Commute Bike Routes in the Transportation Element of the City's Master Plan. These streets are wide enough to permit inside vehicular lanes (closer to the median) to be narrowed in order to widen the right-hand lanes used by bicyclists. DPT reports that before any restriping is actually performed, field checks will be conducted to verify lane geometry and parking configurations.

5. Mr. Tannen states that all of the proposed restriping projects would be performed by DPT's paint shop, but that additional temporary assistance would need to be hired for the project. The 1992-93 Annual Salary Ordinance reflects that DPT is authorized to employ 12 Class 7346 Painters, and 2 Class 7242 Painter Supervisors. Mr. Ed Collins, the Paint Shop Supervisor, states that existing staff would not be sufficient to perform the bicycle restriping projects. Mr. Collins states that additional painters would be hired on a temporary, as needed basis, at an hourly rate of \$31.25, to perform the work.

6. Under the terms of the proposed grant, DPT would be reimbursed by CalTrans for the actual cost (up to \$263,000) of restriping City streets to widen right lanes in order to accommodate bicycle traffic.

7. According to Mr. Tannen, DPT was notified in April, 1992 of the approval by CalTrans of the \$263,000 in 1991-92 Proposition 116 grant funds. Mr. Tannen reports that CalTrans subsequently amended the procedures for applying to receive the funds, and final procedures were not adopted by the State Transportation Commission until August 13, 1992.

Mr. Tannen reports that DPT is authorized to expend the funds within 15 months of the approval of the grant award by CalTrans, which was received in April 1992. Thus, grant

funds would need to be expended prior to July, 1993. Mr. Tannen indicates that the period could be extended due to the administrative delays created by CalTrans. Since he expects the work to be completed by early March, 1993, Mr. Tannen does not expect DPT to exceed the deadline for expenditure of the funds.

Recommendation: Approve the proposed resolution.

Item 1g - File 100-92-1.2

Department: San Francisco Redevelopment Agency (SFRA)

Item: Release of reserved funds.

Amount: \$3,450,000

Description: During the 1992-93 budget review, \$1,263,000 for the Western Addition Economic Revitalization Program and \$2,187,000 for the Hunters Point Economic Revitalization Program, for a total of \$3,450,000 were placed on reserve by the Board of Supervisors pending submission of an economic development plan. The SFRA is requesting a release of these reserved funds.

The Budget Analyst completed a management audit of the San Francisco Redevelopment Agency in January of 1992 which included a finding and subsequent recommendations on the Redevelopment Agency's Economic Development Program. The Budget Analyst found that the process of implementing the SFRA's economic development program has not occurred in an effective and efficient manner. The SFRA Commission has yet to adopt an implementation plan for the program since its inception two years ago, funds have not been awarded through a competitive evaluation process, and no needs assessment has occurred prior to awarding funds for economic development programs. Additionally, the Mayor's Office of Economic Planning and Development has not developed goals and objectives to guide agency activities and to ensure the SFRA resources are used as efficiently as possible. Therefore, the Budget Analyst recommended that the Board of Supervisors not approve additional funds for economic development activities until the SFRA submitted a comprehensive Citywide economic development plan.

On July 14, 1992, the SFRA Commission and the Board of Supervisors Economic and Social Policy Committee held a joint hearing to consider the African-American Economic Empowerment Task Force recommendations for the \$3.4 million in Economic Development Funds (see Comment 1 below for a description of the Task Force's recommendations.) After public comments, the Agency Commission unanimously approved the African-American Economic Empowerment Task Force recommendations and agreed to fund one of the recommendations, a Small Business Revolving Loan fund for \$2.45 million of the \$3.45 million on reserve. In addition, as a result of the Joint SFRA Commission and Board of Supervisors Economic and Social

Policy hearing, the Commission decided to use the remaining \$1 million on a Youth Employment Program which was not one of the recommendations of the Task Force.

The SFRA is submitting the Task Force's recommendations as its economic development plan for the Western Addition and Hunters Point Project Areas. As previously noted, the Agency proposes to spend \$1 million (\$500,000 for the Western Addition Project Area and \$500,000 for Hunter Point Project Area) on a pilot Youth Employment Program and the balance, \$2,450,000 (\$763,000 for the Western Addition Project Area and \$1,687,000 for the Hunters Point Project Area), to a small business revolving loan program.

The Small Business Revolving Loan Fund would be implemented using the existing administrative structure. Under the existing structure, the Urban Economic Development Corporation (UEDC), a non-profit corporation which prepares the loan packages and provides technical assistance to potential borrowers, the Mayor's Office of Economic Planning and Development (MOEPD) reviews the loan packages and the SFRA Commission approves them. The SFRA staff prepares and disseminates Requests for Proposals (RFPs). SFRA staff would be responsible, in conjunction with the Mayor's Office, for reviewing proposals and preparing summaries for Commission consideration. MOEPD is responsible for fund disbursement and monitoring programs or projects.

Comments:

1. In FY 1991-92, an African-American Economic Development Empowerment Task Force, comprised of 25 members, was appointed by the Mayor to 1) advise the San Francisco Redevelopment Agency on the disbursement of the approximately \$3.4 million remaining to be allocated out of the SFRA's economic development funds targeted for the Western Addition and Hunters Point, and 2) to recommend policies, projects and activities that would help to promote small business and employment for African Americans. The Task Force began meeting in August of 1991 and completed a report in April of 1992 that addresses their first charge to advise the San Francisco Redevelopment Agency on the disbursement of the approximately \$3.4 million remaining to be allocated out of the SFRA's economic development funds targeted for the Western Addition and Hunters Point. In its April, 1992 report, the Task Force recommends allocating \$3,177,037 of economic development funds as follows:

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Small Business Revolving Loan Fund</u>	\$2,377,037
To provide additional capitalization of \$2,377,037 for the Agency's Small Business Loan and Investment Program, and to revise the eligibility requirements and underwriting criteria of the Program, including expanded geographic area and increased loan amounts.	
<u>Youth Entrepreneurship Project</u>	300,000
To establish a pilot project using \$300,000 to fund activities, programs and projects which promote youth (under 24 years of age) involvement in business and entrepreneurship.	
<u>Marketing and Cultural Promotions</u>	250,000
To establish a \$250,000 fund to develop, market, and promote cultural activities and African American Business enterprise.	
<u>Planning and Research</u>	<u>250,000</u>
To establish a \$250,000 fund for long-term planning, research of emerging development issues, coordinating community planning and related activities.	
Total	\$3,177,037

As previously stated, the SFRA decided to only fund one of the Task Force's recommendation, the Small Business Revolving Loan Fund in amount of \$2.45 million instead of \$2,377,037 as recommended by the Task Force and to use the remaining \$1 million on the Youth Employment Program which had not been recommended by the Task Force.

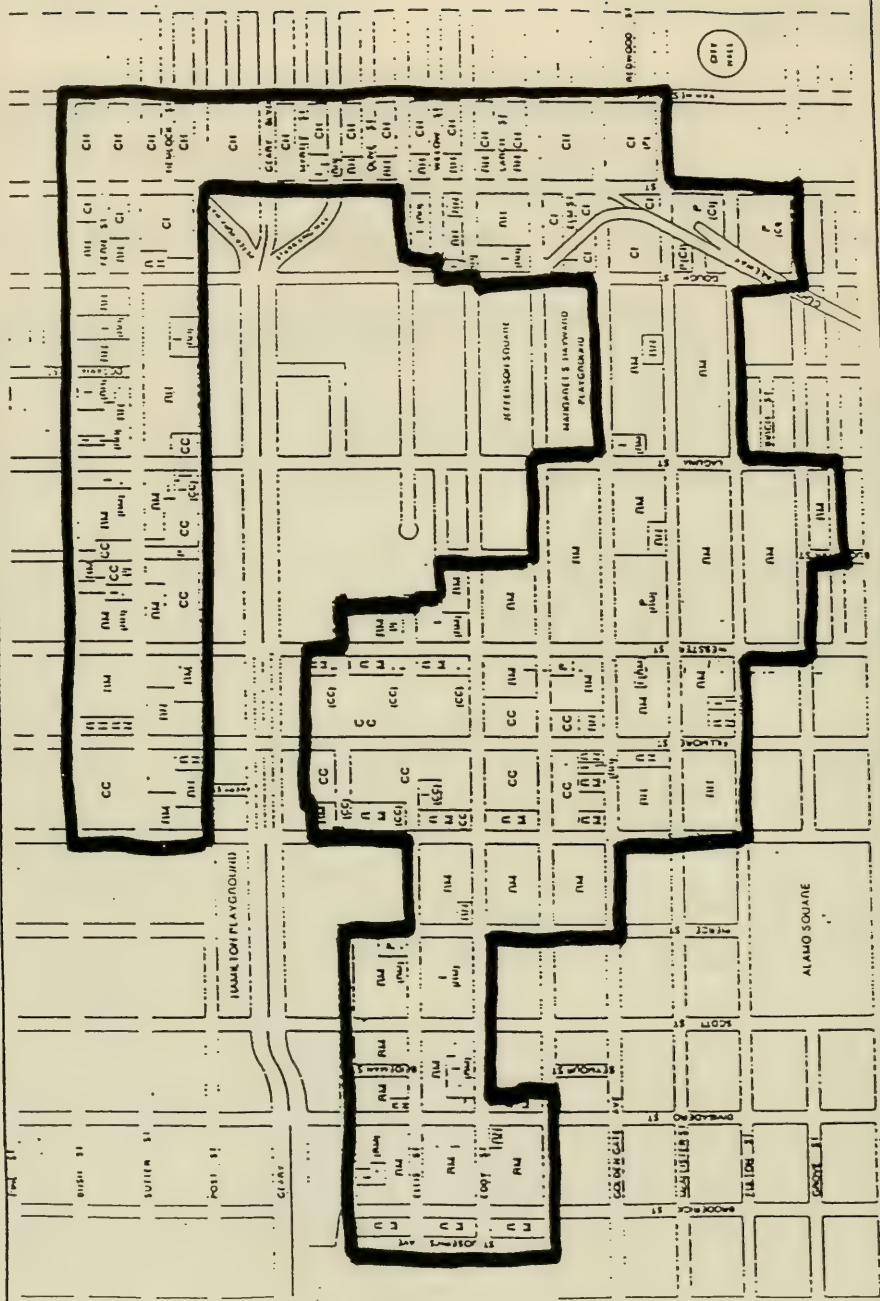
2. According to the SFRA, the Youth Employment Program is still in the conceptual stage and the Agency has not developed a specific plan for the Youth Employment Program. As such, the Budget Analyst recommends that the \$1 million budgeted for the Youth Employment Program remain on reserve pending the SFRA's submission to the Board of Supervisors of a specific plan for the Youth Employment Program.

3. The Task Force recommended that the criteria for awarding the Small Business Loans be changed to recognize historical impediments and factors that combine to disqualify most African-American applicants. The Task Force recommended the following criteria changes:

1. Increase maximum loan amounts from \$100,000 to \$200,000 for individual businesses and \$300,000 for franchises.
2. Reduce equity requirements to five percent from 10 to 20 percent of the total project cost which must be in the form of either "hard cash" or cash equivalents in verifiable assets.
3. Lack of collateral would not automatically make an applicant ineligible.
4. If an applicant meets these other criteria, an adverse credit report would not automatically disqualify said applicant for financial assistance. The SFRA would be able to evaluate the applicant's credit history on a case by case basis.
5. Project area boundaries would be broadened to include the area beyond the Fillmore Center and beyond Bayview Plaza to accommodate Citywide needs and market diversity. The eligible area would broadly be the Western Addition A-2 Redevelopment Area and South Bayshore (see maps on the following pages.)
4. The interest rates of the proposed small business loans would be between two and three percent below the prime interest rate. The loan repayment period would be less than seven years and could not exceed the life of the equipment, if any equipment is purchased with the loan.
5. The SFRA reports that neither the MOEPD nor UEDC would receive additional funding to administer the proposed Revolving Loan Program. Both agencies would administer the proposed program under existing agreements with SFRA.
6. The Budget Analyst's Management Audit report recommended that the SFRA develop a Citywide Economic Development Plan and that such plan be submitted to the Board of Supervisors for approval. The SFRA is submitting an economic development plan for two project areas that targets one minority group. However, although the economic development plan submitted by SFRA is not a comprehensive Citywide plan, the Budget Analyst acknowledges that the SFRA has developed a plan which assessed the community's needs prior to allocating economic development funds. In addition, the funds on reserve are for the Western Addition and the Hunters Point Project Areas, which are the two

areas the Task Force's plan addresses. As such, the Budget Analyst recommends releasing \$2.45 million of the requested \$3.45 million on reserve and to continue to reserve \$1 million pending submission to the Board of Supervisors of a plan for the Youth Employment Program.

- Recommendations:**
1. Release \$2.45 million of the requested \$3.45 million for the Small Business Loan Program.
 2. Continue to reserve \$1 million pending submission to the Board of Supervisors of a plan for the Youth Employment Program.



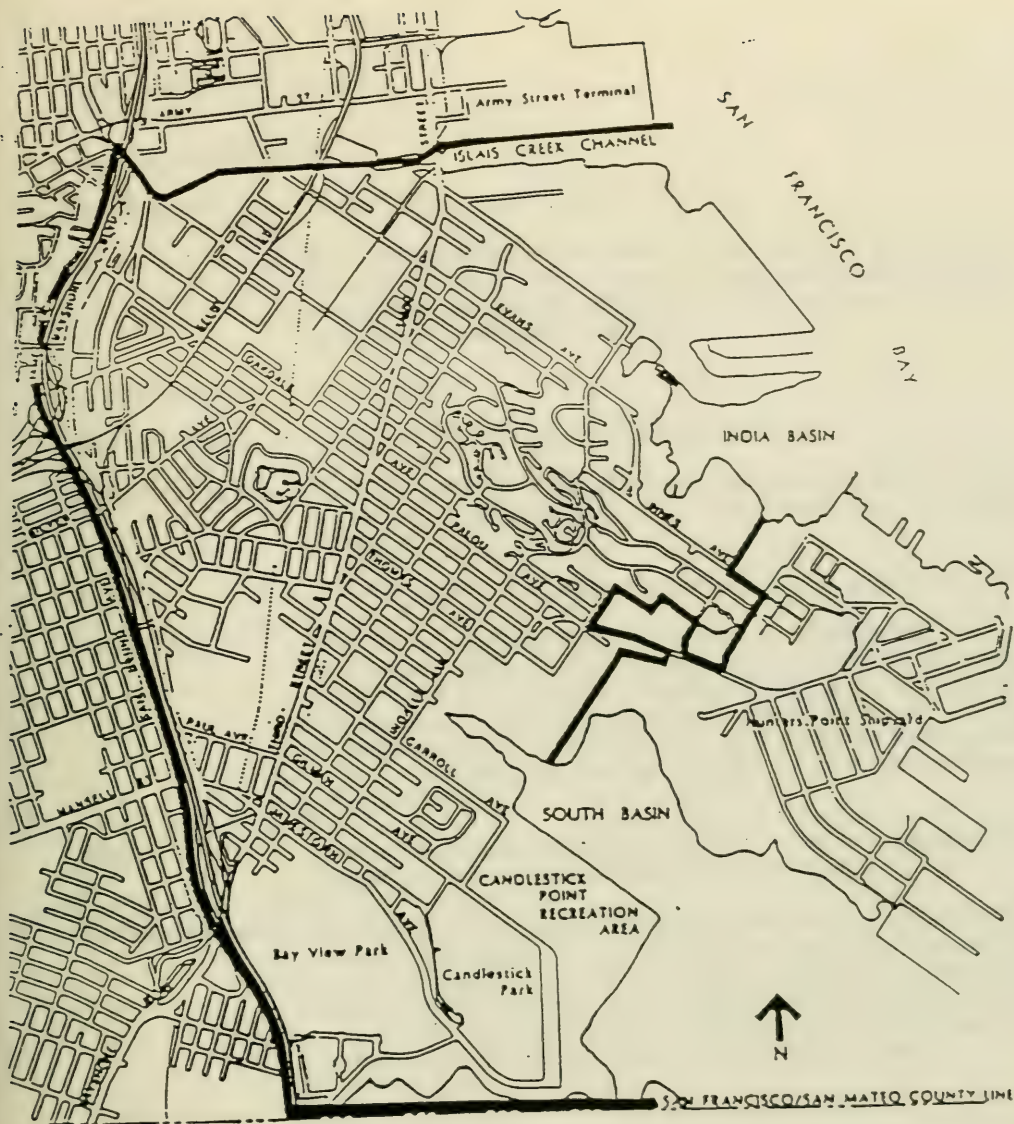
WESTERN ADDITION AREA A-2

LAND USE

Note: Land use areas and rights of way are actual and are subject to adjustments to accommodate land survey and engineering details.

LEGEND

- | | | | |
|-----------------------------|---|-----------------------------|--|
| <input type="checkbox"/> RM | Residential, medium density | <input type="checkbox"/> CC | Community shopping |
| <input type="checkbox"/> NI | Residential, high density | <input type="checkbox"/> CI | Community general intermediate density |
| <input type="checkbox"/> NI | Residential and neighborhood commercial | <input type="checkbox"/> CH | Community general high density |
| <input type="checkbox"/> NI | Residential uses | <input type="checkbox"/> I | Institutional |



South Bayshore Study Area

— Study Area Boundary Line

Item 1h - File 68-92-10

Department: Mayor's Office of Housing (MOH)

Item: Resolution authorizing the Mayor of the City and County of San Francisco to apply for, accept, and expend a grant for lead-based paint abatement from the U. S. Department of Housing and Urban Development (HUD).

Grant Amount: Up to \$6,000,000

Grant Period: Thirty-six months following Grant Approval

Source of Funds: U. S. Department of Housing and Urban Development (HUD), Office of Lead-Based Paint Abatement and Poisoning Prevention.

Project: San Francisco's Lead Based Paint Abatement Program

Description: The City's Lead-Based Paint Abatement Program will be used to provide funds for the testing and inspection of housing constructed prior to 1978, housing rehabilitation to carry out the abatement of lead-based paint and the abatement of other related lead-based paint hazards. The program targets lead-based paint abatement activities in low and moderate income private housing.

Budget: The Mayor's Office of Housing (MOH) is currently preparing a project budget for the subject grant application.

Required Match: No specific requirement. However, since the awarding of these Federal grant funds is on a competitive basis, and the amount and kind of local contributions are considered in approving such applications for grants, MOH plans to specify the amounts and sources of the local match and whether the local match will be provided in cash or by in-kind services.

Indirect Costs: Up to \$600,000, (10% of the grant amount awarded)

Comments: 1. At the present time, the Mayor's Office of Housing (MOH) is in the process of preparing its application for the subject funds, so a detailed description of the program and related budget expenditures is not yet available. However, since the City's application, including Board of Supervisors' authorization, must be submitted to HUD by September 21, 1992, the Mayor has submitted the subject resolution for Board of Supervisors review and approval at this time.

2. Until MOH provides more information on the City's application and project budget for a lead-based paint abatement program, the subject legislation should be amended to delete the approval to accept and expend the proposed grant funds. The Board of Supervisors should, however, authorize the Mayor to apply for the subject grant funds in order for the City to meet the deadline established by HUD for the submission of the City's grant application. MOH concurs with this amendment.

3. The subject legislation should also be amended to correct clerical errors as follow:

- Correct the resolution's title to indicate that the grant is for lead-based paint abatement;

- Add to the first resolve clause that the grant is for a total amount not to exceed six million dollars (\$6,000,000); and

- Add a Further Resolved clause that \$600,000 of indirect costs associated with the acceptance of these grant funds is included in the application budget.

Recommendation: Amend the proposed resolution as follows:

Page 1, Lines 3 and 24, delete the phrase "accept and expend";

Page 1, Line 3 after "grant" add "for Lead-based paint abatement";

Page 2, Line 1 after "Development" add "for a total amount not to exceed six million dollars (\$6,000,000)"; and

Page 2, After Line 3 add "FURTHER RESOLVED, That \$600,000 of Indirect Costs associated with the acceptance of these grant funds is included in the application budget".

Approve the proposed resolution as amended.

Item 2 - File 127-92-7

Item: Ordinance amending Part III of the San Francisco Municipal Code by amending Section 506 to exempt certain hotels from the Hotel Tax.

Description: Municipal Code Article 7 - Sections 502, 502.5 and 502.6 provide for the imposition of a tax totaling 11 percent on the rate charged to occupy a guest room in a hotel in the City. A hotel is defined as any structure or portion of a structure including any lodging house, rooming house, dormitory, Turkish bath, bachelor hotel, studio hotel, motel, auto court, inn, public club, or private club containing guest rooms which are occupied or intended to be occupied by guests.

Section 504 stipulates that the Hotel Tax is to be collected from the occupant of the guest room at the same time that the hotel rent is collected. However, according to Section 506, no tax shall be imposed: (1) upon a permanent resident; (2) upon a corporation or association having formally recognized tax exempt status; or (3) where the rent at the hotel is less than \$20 per day or \$85 per week.

The proposed ordinance would provide that guests at hotels operated by tax exempt, charitable, educational, or scientific organizations are exempt from the Hotel Tax, provided that the operation of the hotel fits within the charitable, educational, or scientific purpose of the organization. Mr. Thad Brown of the Tax Collector's Office advises that the Tax Collector currently does not collect Hotel Taxes from tax-exempt hotels themselves. Instead, Hotel Taxes are collected from guests who stay at tax-exempt hotels.

In summary, currently, tax-exempt hotels are exempt from paying the Hotel Tax, but guests at tax-exempt hotels are not exempt from paying the Hotel Tax. The proposed ordinance would exempt such guests from paying the Hotel Tax.

Comments: 1. The current Hotel Tax rate is 11 percent. It is divided between an 8 percent basic rate and a 1.75 percent surcharge allocated to the City's General Fund and a 1.25 percent surcharge allocated to the Convention Facilities for Moscone Center expansion. Total revenues from the 11 percent Hotel Tax rate in FY 1992-93 are budgeted at \$76.6 million.

2. Information regarding tax-exempt status is not currently requested from hotels by the Tax Collector, Mr. Brown reports. Therefore, the Tax Collector is unable at this time to estimate the extent to which hotels might claim exemption, on behalf of their guests, if the proposed ordinance is approved.

Because the Tax Collector is unable at this time to estimate the extent to which hotels might claim exemption, the fiscal impact of the proposed ordinance cannot be determined at this time. However, Mr. Brown advises that Hotel Taxes are collected from guests at a number of large, tax-exempt hotels, such as the YMCA, and that the fiscal impact of the proposed legislation might therefore be significant.

3. The sponsor of the proposed ordinance has requested that the proposed ordinance be continued to the call of the Chair.

Recommendation: Continue the proposed ordinance to the call of the Chair.

Item 3 - File 146-92-65

Note: This item was continued at the September 2, 1992 Finance Committee meeting.

Department: Department of Public Health (DPH)
Central Administration

Item: Resolution authorizing the Department of Public Health, Central Administration, in collaboration with the State Department of Mental Health, as primary grantee, to accept and expend a two year extension grant from the Robert Wood Johnson Foundation of \$475,569 with \$1,060,000 of matching funds from the primary grantee for a total of \$1,535,569, which includes indirect costs in the amount of \$133,776 based on nine percent of personnel and office supplies, for the provision of a system of care for children and youth who are seriously emotionally disturbed and their families.

Grant Amount: \$1,535,569

Grant Period: August 1, 1992 to July 31, 1994 (two years)

Source of Funds: Robert Wood Johnson Foundation

Project: Family Mosaic Project

Description: The Family Mosaic Project is a four-year effort to develop an interagency system of care for children and youth with serious emotional problems who are at risk of out-of-home placement or currently are in out-of-home placement. The interagency system would include San Francisco Unified School District (SFUSD), Juvenile Probation, Department of Social Services (DSS) and Department of Mental Health (DMH). The DPH previously received a grant of \$1,620,000 for the Family Mosaic Project in 1990 (File 146-90-62; Resolution No. 713-90). In March of 1992 DPH received a grant augmentation of \$158,408 from the Robert Wood Johnson Foundation to develop a structure to receive, disburse, and monitor on-going funding through MediCal for the Family Mosaic Project. The Project is completing the first two-year phase of program implementation which provided a preliminary analysis of services and costs.

Memo to Finance Committee
September 9, 1992

2-Year Budget:

DPH

<u>Personnel</u>	<u>FTE</u>	<u>Amount</u>
Project Director	0.54	\$78,181
Accounting Clerk	1.0	47,322
Secretary II	1.0	70,861
Registered Nurse	0.5	61,199
Salary Savings		(67,548)
Mandatory Fringe	—	<u>49,404</u>
Subtotal Personnel	3.04	239,419

Operating Expenses

Travel (Staff, client, consultant)	96,160
Training	12,800
Current Services	3,000
Duplication and Printing	8,000
Telephones	24,750
Materials & Supplies	65,030
Rent	<u>84,000</u>
Subtotal Operating Expenses	293,740

Equipment

HD Personal Computer (6 @ \$1,650)	9,900
Network	825
Universal Power Supply	225
Cable	100
Micro Laser XL Printer	3,900
Installation of Network	1,565
MITA DC-5585 Console Copier	13,495
Bin Sorter	1,920
Tax & Delivery	1,121
Video Equipment	2,949
Ficoh Fax 86	<u>2,050</u>
Subtotal Equipment	38,050

Indirect Costs @ 9% of Personnel and Materials & Supplies	56,749
Other Subcontracts	150,980
Student Stipends	<u>21,000</u>

Total DPH	3.04	\$799,938
-----------	------	-----------

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
September 9, 1992

<u>Contracts</u>	<u>FTE</u>	<u>Amount</u>	
<u>University of California</u>			
Psychiatrist	0.25	\$45,516	
Fringes	_____	<u>11,835</u>	
Total UCSF	0.25		\$57,351
<u>Bayview Hunters Point Foundation (BVHP)</u>			
Fiscal Manager	1.0	103,361	
Sr. Accountant	1.0	67,896	
Contract Coordinator	1.0	92,208	
Training Coordinator	0.15	15,810	
Mandatory Fringe Benefits	_____	<u>55,855</u>	
Subtotal Personnel	3.15	\$335,130	
Training Expense		15,000	
Consultant Honoraria		87,872	
Indirect Costs @ 10% of total grant funding less indirect costs or \$438,002	_____	<u>43,800</u>	
Total BVHP	3.15		481,802
<u>Instituto Familiar</u>			
Clinical Supervisors	0.25	45,090	
Communication Specialist	1.0	85,680	
Mandatory Fringe Benefits	_____	<u>31,385</u>	
Subtotal Personnel	1.25	162,155	
Indirect Costs @ 15% of Personnel	_____	<u>24,323</u>	
Total Instituto Familiar	1.25		<u>\$186,478</u>
Total Grant Budget			\$1,525,569

Required Match: None

No. of Persons Served: The entire grant would serve 650 children and their families, or approximately 1,950 individuals.

Indirect Costs: \$133,776, based on nine percent of salaries and materials and supplies

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments:

1. According to the proposed resolution, the proposed grant includes \$475,569 from the Robert Wood Johnson Foundation with \$1,060,000 of matching funds from the primary grantee, the State Department of Mental Health, for a total of \$1,535,569 which includes indirect costs in the amount of \$133,776. However, according to Mr. Pablo Bravo of the Department of Public Health, the proposed grant includes \$475,569 from the Robert Wood Johnson Foundation and \$1,050,000 from the primary grantee for a total of \$1,525,569 which includes \$56,749 in indirect costs. As such, the proposed resolution should be amended to read \$1,050,000 from the primary grantee for a total of \$1,525,569 which include indirect costs in the amount of \$56,749 instead of \$1,060,000 of matching funds from the primary grantee for a total of \$1,535,569 which includes indirect costs in the amount of \$133,776 as the proposed resolution currently reads.

2. According to the DPH, if grant funding is reduced or terminated, personnel are anticipated to be funded through MediCal and AB 377 State funds. If such funds are not available, personnel would be reduced or terminated accordingly. The proposed grant would fund 3.04 FTEs for DPH.

3. According to DPH, indirect costs would be \$56,749, based on nine percent of salaries and materials and supplies of the entire Family Mosaic Project Budget which includes \$326,095 in non grant funding. As such, indirect costs are nine percent of a total of \$630,544 in salaries and materials and supplies (\$304,449 of the proposed grant funds and \$326,095 of non grant funding.)

4. According to Mr. Bravo, DPH would contract with the University of California at San Francisco, at \$57,351, Bayview Hunters Point Foundation, at \$481,802, and Instituto Familiar, at \$186,478, to provide mental health and case management services. The Consultant Honoraria under the Bayview Hunters Point Foundation contract, at \$87,872, include actuarial services which are mandated by the funder, with consultants selected by the funder. All of the proposed contracts are continuation contracts.

6. Mr. Bravo reports that the \$96,160 budgeted for DPH travel would fund the following:

Staff Travel (Client Related) \$36,160
Fast passes for clients and funds
for case managers to travel to meet
with clients and service providers.

Staff Travel (Non-client Related) 44,000
Local travel to meetings in
Sacramento with DMH, State
Inter-Agency Advisory Council on
Systems Care Committee
(SIACOC) to provide technical
assistance, attend local
conferences and meeting. Non-
local travel to State sponsored and
national training, the annual
Robert Wood Johnson Foundation
meetings, technical workshops,
Child Adolescent Service System
Program (CASSP) conferences
outside Bay Area and California.
Wrap Around Conferences, case
management conferences, etc.

Consultant Travel 16,000
During the two years of the
proposed grant funded project, the
Robert Wood Johnson Foundation
will sponsor training sessions to
assist with the expansion of the
system of care. The Family Mosaic
Project will utilize experts from
both inside and outside California
to provide training to county
administrators and staff as well as
other interested persons. The
Family Mosaic project will provide
travel expenses for trainers, out of
state consultants and consumers
consultants to participate in the
training sessions. In addition, the
Project will utilize outside
consultants for infrastructure and
program development to further
develop a funding structure.

Total Travel Funding \$96,160

7. Mr. Bravo reports that the \$150,980 budgeted for DPH to
fund Other Subcontracts would be used to provide funding to
organizations or individual mental health and case

BOARD OF SUPERVISORS
BUDGET ANALYST

management providers on an as-needed basis. The Department has a list of 126 approved service providers who could be contacted to provide services during the two-year grant period. A service provider would be selected depending on the needs of the individual child requiring mental health or case management services.

8. The period for the proposed grant began on August 1, 1992. As such, the proposed resolution should be amended to allow DPH to accept and expend the proposed grant retroactively.

9. The DPH has prepared a Disability Access Checklist, which is in the file.

10. A Summary of Grant Request form, as prepared by the Department, is attached.

Recommendations: Amend the proposed resolution in the title and in the text on lines 11 through 13 as follows:

1. \$1,050,000 from the primary grantee for a total of \$1,525,569 which includes indirect costs in the amount of \$56,749 instead of \$1,060,000 of matching funds from the primary grantee for a total of \$1,535,569 which includes indirect costs in the amount of \$133,776.

2. Authorize DPH to accept and expend the proposed grant retroactively.

Approve the proposed resolution as amended.

SEP 01 '92 12:51PM FAMILY MOSAIC PROJ. P.2/6
 Robert #33
 Department of Mental Health
 Division Department of Public Health
 Section Central Administration
 Contact Person Gary Matthies
 Telephone (415) 206-7600
 Address 1600 Ninth Street, Rm 250
 Sacramento, Calif. 95814
 Requested \$ 1,535,569
 Application Deadline March 30, 1992
 From 8/1/92 To 7/31/94
 Notification Expected July 31, 1992
 Health Commission Board of Supervisors Finance Committee
 Full Board

From Description: Request to (apply for) (accept and execute) 2 (new) (continuation) (allocation) (augmentation to 2)
 grant in the amount of \$ 1,535,569 from the period of 8/1/92 to 7/31/94
 to provide system of care for children & youth with serious prob. services

From the State (Continuation and additional money - project already started and previous)

In collaboration with State Department of Mental Health continue implementation of an inter-agency system of care for children & youth with serious emotional disturbances & their families to include SFUSD, Juvenile Probation, DSS, DMSF, to minimize fragmentation and inappropriate care. The two-year continuation will serve 650 children ages 3-16 years with culturally competent services via city and contract services.

VI. Outcome/Objectives

- Reduction in out-of-home placements for target population.
- Increased stabilization in setting that are least restrictive for children out-of-home.
- Decrease in costs of care for target population through integrated case management.

VII. Effects of Reduction or Termination of These Funds

The Family Mosaic Project would not be able to continue to develop more cost effective intervention compared to current out-of-home and out-of-county placements. Target population will continue to receive inadequate and fragmented services.

VIII. Financial Information

	Col. A Two Year Ago	Past 2 Years Col. B Past Year Only	Next 2 Years Col. C Forecast	Col. D Change	Req. Match	Approved by
Grant Amount		1,778,408	1,525,569			
Personnel		481,025	239,419			
Equipment		31,408	37,050			
Contract Svc.		1,108,701	827,611			
Mat. & Supp.		73,640	65,030			
Facilities/Space						
Other		54,371	249,710			
Indirect Costs		29,265	56,749			
Total		289,588	—			
IX. New Processing						
(Current included above)						
X. Personnel						
PT CSC		7	3			
PT CSC		5	1			
Contractual		5	6			

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant
 Medi-Cal, General fund

Will grant funded employees be retained after this grant terminates? If so, How?

Yes with funding generated through Medi-Cal capitation and through AB377 State Funds

VIII. Commercial Services Open Bid ☒ Sole Source ☐ (If sole source, state reason for selection above)

Item 4 - File 25-92-22

Note: This item was continued at the August 12, 1992 Finance Committee Meeting. The Finance Committee members had concerns regarding the provision of health insurance by the low bidders to their employees and payment of the prevailing wage.

Department: Police Department

Item: Resolution concurring with the Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar services performed by the City and County of San Francisco.

Services to be Performed: Janitorial Services for all nine District Police stations, the Police Academy, the Pistol Range, the Juvenile Division, and the Golden Gate stables.

Description: The Controller has determined that contracting for these janitorial services in fiscal year 1992-93 would result in estimated savings as follows:

	<u>Highest Salary Step</u>	<u>Lowest Salary Step</u>
<u>DPW Operated Costs</u>	\$740,230	\$617,815
<u>Contracted Service Cost</u>	<u>280,000</u>	<u>280,000</u>
<u>Estimated Savings for Contracted Service Cost</u>	\$460,230	\$337,815

- Comments:**
1. The above DPW Operated Cost estimate reflects amounts submitted by the Department of Public Works (DPW) to the Controller and certified by the Controller. The Contracted Service Cost estimate is based on the approximate lowest price bid received from the three janitorial contract bidders on July 27, 1992.
 2. DPW currently provides janitorial services to the Police Department. FY 1992-93 would be the first year that the Police Department would fully contract for these janitorial services.
 3. According to Officer Tom Strong, of the Police Department's Accounting Office, the Police Department paid \$67,592 to the Department of Public Works to provide janitorial services during the period of July 1, 1992 to August 31, 1992 from the Police Department's FY 1992-93 Building

BOARD OF SUPERVISORS
BUDGET ANALYST

and Repair budget. The Police Department continues to purchase janitorial services from DPW pending selection of the private contractors. Mr. Strong advises that a total of \$280,000 has been budgeted for contracted janitorial services in the FY 1992-93 budget. The \$67,592 used to provide janitorial services in July and August, as well as any amounts required to be expended pending selection of contractors, will be deducted from the \$280,000 and returned to the Building and Repair account. The remaining balance will be used to pay for the contracted janitorial services.

4. Mr. Steve Lutz, Senior Analyst of the Police Department's Planning Division, reports that the scope of janitorial services provided to the Police Department would eliminate the Hibernia Bank Building facility and add the Pistol Range. In addition, Mr. Lutz stated that the Police Department has not been satisfied with the level of service currently provided by DPW. As a result, Mr. Arnie Sowell of the Controller's Office reports that the 1992-93 proposed in-house versus contracted services represent a higher level of janitorial services than what has been historically provided. Mr. Raymond Zahndt of the Department of Public Works estimates that to provide the level of service the Police Department is now requesting, the Department of Public Works would have to expand their current staff level from 6 FTE to 13 FTE. This increased level of service is reflected above in the DPW Operated Cost estimate and Contracted Service Cost estimate provided by the Controller's Office.

5. The Finance Committee requested that the Controller estimate the costs of the Police Department providing these services directly by employing janitors. The Controller has determined that Police Department In-house Janitorial Services as compared with DPW Janitorial Services and contractual janitorial services are as follows:

	<u>Highest Salary Step</u>	<u>Lowest Salary Step</u>
<u>DPW Operated Costs</u>	\$740,230	\$617,815
<u>Police Department In-House Janitorial Services</u>	<u>726,344</u>	<u>625,934</u>
<u>Estimated Savings for Police vs DPW Janitorial Services</u>	\$13,886	(\$8,119)
<u>Police Department In-House Janitorial Services</u>	726,344	625,934
<u>Contracted Service Cost</u>	<u>280,000</u>	<u>280,000</u>
<u>Estimated Savings for Contracted Service Cost vs. Police In-House</u>	<u>\$446,344</u>	<u>\$345,934</u>

Therefore, as noted above, it would be between \$8,119 more expensive to \$13,886 less expensive for the Police Department to directly provide its own janitorial services in 1992-93 rather than through DPW. However, as also noted above, it would be approximately \$345,934 to \$446,344 less expensive for the Police Department to contract out for janitorial services than to hire in-house janitors in the Police Department. As previously discussed, changing from the current DPW janitorial services to contractual janitorial services would result in an estimated 1992-93 annualized savings ranging from approximately \$337,815 to \$460,230.

6. Mr. Carl Bunch of the Mayor's Office, Employee Relations Division, advises that the City of San Francisco does not have a duty to meet and confer with the Union regarding the contracting out of services before a decision is made unless layoffs will occur as a result of the decision. However, following a decision to contract out, the City does have an obligation to meet and confer with the Union regarding the impact of the decision on bargaining unit employees. The Service Employees International Union's (SEIU), Memorandum of Understanding (MOU) also states that upon request by the Union and prior to the City making any final decision, the City will hold informational meetings with the Union to discuss and attempt to resolve issues relating to the contracting out of services. Mr Bunch reports that there have been no requests for informational meetings from the Union.

7. The Controller's Office notes that the proposed Proposition J certification must be approved prior to any contract for services being awarded. The Controller's supplemental questionnaire with the Department's responses, including MBE/WBE status, is attached.

8. The Police Department has rejected all of the original bids and has asked the Purchasing Department to rebid the contracts for janitorial services (the janitorial services duties are to be split into two parts in order to allow two contractors to obtain City contracts). Mr. Ara Manasian of the Purchasing Department states that the deadline for receiving the new bids was Thursday, September 3, 1992 and that evaluation of the new bids and determination of the lowest bidders will not be completed before Tuesday, September 8, 1992. Therefore, as of the writing of this report, the lowest bidders have not yet been determined and the bidders' intentions to provide health insurance for their employees and pay prevailing wages have not been evaluated.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Charter 8.300-1 (Proposition J) Questionnaire

Department San Francisco Police DepartmentContract Services Janitorial Service

Time Period _____

1) Who performed services prior to contracting out?

Department of Public Works Janitorial.

2) Number of City employees laid off as a result of contracting out?

None, these employees should easily be absorbed into DPW operations.

3) Explain disposition of employees if they were laid off.
Trained janitorial employee would be able to find employment in federal, state and private sectors.

4) What percent of City employee's time is spent on services to be contracted out?

100%

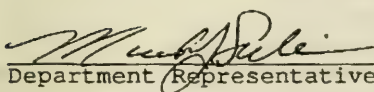
5) How long have services been contracted out?

These services have been performed by the Department of Public Works; they have never been contracted out.

6) What was the first fiscal year for a Proposition J Certification?

It is anticipated to commence by 1992-1993.

7) How will contract services meet the goals of your MBE/WBE Action Plan?

The competitive bid process will insure compliance.
Present contractor at the Hibernia Bank Police Building is MBE/LBE.
Department RepresentativeMICHAEL J. SULLIVAN
SERGEANT OF POLICE

(Type Name, Title)

Telephone 557-6720

cxlquespj

Item 5 - File 173-92-2

Department: Port of San Francisco (Port)

Item: Ordinance to approve the first amendment to the Marine Terminal Agreement with Evergreen Marine Corporation allowing a fifty percent sharing of demurrage revenue (demurrage revenues are fees charged to the owners of cargo that remains on a pier for an excessive period of time).

Description: Evergreen Marine Corporation (EMC) has been a tenant at the Port for 12 years and currently operates under a Marine Terminal Agreement that was approved by the Board of Supervisors in 1990 (Ordinance No. 594-90).

In fiscal year 1991-92, EMC paid a total of approximately \$1,628,000 to the Port for wharfage (approximately \$1,178,000), dockage (approximately \$76,000) and crane rental (approximately \$374,000). In FY 1991-92, approximately \$111,000 was paid to the Port for demurrage of cargo by the owners of cargo that was handled by EMC.

Cargo may remain on a pier for ten days at no charge. After the ten days, the Port charges a fee of \$36 per day for a forty-foot container for the first five days beyond the ten free days, and \$72 per day thereafter. If the owner of the cargo anticipates a delay in being able to move the cargo, the owner may ask the steamship line (such as EMC) to request that the Port extend the free time or allow the cargo to be put into storage at the lower rate of \$18.20 per day for a forty-foot container. (Demurrage and storage rates for twenty-foot containers are half the rates for forty-foot containers.)

The Port reports that of the five steamship lines at the South Container Terminal, only EMC does not currently have an agreement to share in the demurrage revenues collected by the Port for cargo handled by EMC. The other four steamship lines have agreements whereby they receive either 45 or 50 percent of the demurrage revenues for cargo that they handle and the Port retains either 55 or 50 percent. The Port indicates that EMC receives 75 percent of the demurrage revenues for cargo handled by EMC at the ports of Los Angeles and Tacoma. According to the Port, the federal Shipping Act of 1984 gives EMC the right to be given a share of demurrage revenues in order to receive the same treatment as other steamship lines at the Port. If the Port does not give EMC a share of demurrage revenues, EMC could petition the Federal Maritime Commission to order such a sharing arrangement.

The proposed ordinance would approve the first amendment to the current Marine Terminal Agreement between the Port and EMC to add a provision whereby EMC would receive a 50 percent share of the demurrage revenues collected by the Port for cargo handled by EMC.

Although the Port would lose approximately \$55,500 in demurrage revenues based on the amount collected in FY 1991-92 (50% of \$111,000), the Port indicates that by giving EMC a share of the demurrage revenues for cargo that EMC handles, EMC will have an incentive to not request storage for cargo that cannot be moved by the cargo owner. This would result in either a greater amount of total demurrage revenue or faster movement of cargo to avoid the higher demurrage fee rates (as opposed to the lower storage rates) which in turn would result in freeing up space and a greater turnover of cargo that should further result in greater wharfage and crane rental revenues.

To illustrate the benefits of the proposed sharing of demurrage revenues, the Port relates the actual case of the agreement with COSCO, another steamship line at the Port. The COSCO Maritime Terminal Agreement was renewed in 1989 and included a provision for a 50 percent share of demurrage revenues. For the three years preceding the renewal, the Port received approximately \$142,000 representing 100 percent of the demurrage revenues collected. For the three years after the renewal, the Port's 50 percent share was approximately \$163,000 and COSCO's 50 percent share was also \$163,000. The Port's \$163,000 share was \$21,000 (\$163,000 less \$142,000) or approximately 15 percent more than had been received in the previous three years when there was no sharing of demurrage revenues. The Port has not analyzed the corresponding increases in wharfage and crane rental revenues.

Recommendation: Approve the proposed ordinance.

Item 6 - File 161-92-4.1

Department: San Francisco Redevelopment Agency (SFRA)

Item: Resubmission of the SFRA's Fiscal Year 1992-93 budget to the Board of Supervisors by September 1, 1992 for reconsideration in light of the fiscal impact to the SFRA and to the City's General Fund that may result from the final adoption of the Fiscal Year 1992-93 budget of the State of California.

Description: During its review of the Redevelopment Agency's FY 1992-93 budget in August of 1992, the Board of Supervisors amended the Agency's Budget to require the Agency to resubmit its budget to the Board of Supervisors by September 1, 1992. The Board of Supervisors wanted to reconsider the Agency's budget when the impact on the City from the State budget reductions were known. As of the writing of this report, the State has not adopted a budget. As such, the Budget Analyst recommends continuing the proposed item pending a final adoption of the FY 1992-93 budget for the State of California and submission by the SFRA to the Board of Supervisors of the State budget's impact on the SFRA.

Recommendations: 1. Continue the proposed item pending final adoption of the FY 1992-93 budget for the State of California.

2. Request the SFRA to submit a written analysis of the State budget's impact on the SFRA.

Item 7 - File 97-92-50

Department: Juvenile Probation Department

Item: Ordinance amending the Administrative Code by adding Sections 8.36 and 8.36-1 thereto authorizing the Juvenile Probation Department to charge fees for certain services and documents.

Description: The proposed ordinance would authorize the Juvenile Probation Department to collect the following fees:

1. A ten percent administrative fee for collecting and processing victim restitution payments would be collected by the Juvenile Probation Department. Currently, if a minor is convicted of theft, the minor is required to pay the victim restitution, the amount of which is determined by the judge presiding over the case. The judge would also be responsible for assessing the proposed ten percent fee which would be based on the restitution amount. The proposed ten percent administrative fee would be paid in addition to the restitution. The Juvenile Probation Department is responsible for collecting the victim restitution fine. The proposed ten percent fee would cover the Department's costs to process the fines.

2. A \$200 maximum charge for investigating and processing stepparent adoptions would be established. The proposed \$200 maximum fee would be paid by the stepparent. The proposed ordinance allows the Department to waive, reduce or defer the proposed fee when the payment would cause economic hardship to the prospective parent.

The Department reports that these fees were included in the Department's FY 1992-93 budget and are part of the Department's efforts to generate new revenues to support direct services.

Comments:

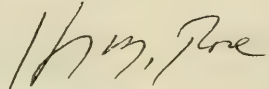
1. In FY 1992-93, the Department anticipates collecting approximately \$800 from the proposed \$200 maximum charge for investigating and processing stepparent adoptions and approximately \$2,550 from the proposed ten percent administrative fee for collecting and processing victim restitution payments for a total of \$3,350. In the following fiscal years the Department expects to receive approximately \$1,200 from the proposed \$200 maximum charge for investigating and processing stepparent adoptions and approximately \$3,400 from the proposed ten percent

Memo to Finance Committee
September 9, 1992

administrative fee for collecting and processing victim
restitution payments for a total of \$4,600.

2. The proposed fees would be deposited in the City's General
Fund to be used by the Juvenile Probation Department.

Recommendation: Approve the proposed ordinance.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

0.25
Memo to Finance Committee
September 9, 1992
////

Budget Analyst
Public Library, Documents Dept.
ATTN: Gerry Roth

Item 1e - File 148-92-7

REVISED

92
Department: Department of Public Works (DPW), Bureau of Architecture
Department of Public Health (DPH):
Laguna Honda Hospital (LHH)
San Francisco General Hospital (SFGH)
Fire Department

Item: Resolution authorizing DPW to accept and expend four new Federal Hazard Mitigation grants and waiving indirect costs.

Grant Amounts:

Laguna Honda Hospital-Boiler Plant	\$1,862,000
San Francisco General Hospital-Service Bldg.	1,400,000
Fire Department:	
Emergency Generators	500,000
Station Renovations	<u>1,209,500</u>
Total	\$4,971,500

Grant Period: Beginning 60 days from acceptance of the grant and ending 36 months from acceptance of the grant, or a 34 month period.

Source of Funds: Federal Emergency Management Agency (FEMA) through the California State Office of Emergency Services

Description: In October, 1990, the Board of Supervisors authorized the Chief Administrative Officer (CAO) to apply for Hazard Mitigation Grant funding from the FEMA for City projects to mitigate against future hazards due to earthquakes (File 133-90-2). The CAO submitted an application for various projects totalling \$17,739,789 which included the four projects that are the subject of the proposed legislation.

LHH Boiler Plant

DOCUMENTS DEPT.

SEP 10 1992

SAN FRANCISCO
PUBLIC LIBRARY

The LHH Boiler Plant was built in 1926 and does not meet current seismic standards. The proposed hazard mitigation retrofitting of this building would include bracing and anchoring of utility pipes for steam, gas, water and electricity, the bracing and anchoring of two 150,000 gallon water tanks located on the hill above the hospital, construction of a second, emergency alternate water supply line from the tanks to the hospital buildings and anchoring of main utility pipes between hospital buildings. These improvements will assure the ability of the LHH to continue to provide services after a major earthquake.

BOARD OF SUPERVISORS
BUDGET ANALYST

SFGH Service Building

The SFGH Service Building distributes all utilities (heat, power, water and medical gases) to all SFGH buildings. Changes in State regulations regarding construction of hospitals currently exceed the 1967 Uniform Building Code requirements that were followed in constructing the SFGH Service Building in 1972. The Service Building would be structurally reinforced to meet the current State requirements and to withstand a major earthquake. The piping, conduits and ducting that distributes these utilities to the various hospital buildings would be seismically anchored and braced. The proposed grant would also fund construction of a new water storage tank that would contain sufficient water to supply the steam driven power plant for one day.

Fire Department Emergency Generators

The proposed grant for emergency generators for the Fire Department would allow for the installation of emergency generators for 20 fire stations that do not currently have emergency generators. After an earthquake, the emergency generators would keep communications equipment fully operational and would provide power for all station functions (after the Loma Prieta earthquake, numerous neighborhood residents gathered at the fire stations). The installation would include the purchase of diesel generators having fuel tanks with a three day capacity, installation on a concrete base, construction of a weatherproof enclosure for the generators and corresponding wiring and switches to connect the generators to the stations.

Fire Department Station Renovations

The proposed grant for the renovation of six fire stations would provide for construction to reinforce the structural integrity of buildings housing Stations 11, 15, 21, 35 (Arson Task Force), 38 and the Ashbury Tank House.

Project Budget:

The Bureau of Architecture estimates the costs for the four projects as follows:

LHH - Boiler Plant

	<u>FEMA Grant</u>	<u>City Costs</u>	<u>Project Total</u>
Construction	\$1,689,464	\$949,527	\$2,638,991
Preliminary Planning	0	28,200	28,200
Design and Engineering	145,600	307,500	453,100
Project Administration	26,936	42,953	69,889
Inspections	0	160,538	160,538
Permits and Testing	0	66,170	66,170
Contingencies	<u>0</u>	<u>307,112</u>	<u>307,112</u>
Project Total	\$1,862,000	\$1,862,000	\$3,724,000

SFGH - Service Building

	<u>FEMA Grant</u>	<u>City Costs</u>	<u>Project Total</u>
Construction	\$1,400,000	\$378,000	\$1,778,000
Construction Management	0	85,000	85,000
Design and Constr. Admin.	0	376,000	376,000
Project Management	0	67,000	67,000
Inspections	0	85,000	85,000
Permits and Testing	0	140,000	140,000
Contingencies	<u>0</u>	<u>269,000</u>	<u>269,000</u>
Project Total	\$1,400,000	\$1,400,000	\$2,800,000

Fire Dept. - 20 Generators

	<u>FEMA Grant</u>	<u>City Costs</u>	<u>Project Total</u>
Generators & Construction	\$418,800*	\$249,200	\$668,000*
Construction Management	0	51,400	51,400
Design	0	51,400	51,400
Contingencies	<u>0</u>	<u>66,800</u>	<u>66,800</u>
Project Total	\$418,800*	\$418,800	\$837,600*

*Based on the Bureau of Engineering's preliminary estimate of \$837,600 for this project, FEMA would grant only half or \$418,800 of the estimated cost (FEMA requires a 100 percent match). The Fire Department recommends that the legislation be amended to state the grant amount as "up to \$500,000" instead of the amount of "\$500,000" that was included in the original grant application, in case there are any cost overruns on the project and the full \$500,000 in FEMA funding can be justified.

Fire Dept. - Station Renovations

	<u>FEMA Grant</u>	<u>City Costs</u>	<u>Project Total</u>
Construction	\$1,209,500	\$2,263,500	\$3,473,000
Project Management	0	104,000	104,000
Design and Engineering	0	485,000	485,000
Constr. Mgmt. & Insp.	0	208,000	208,000
Programming & Planning	0	68,000	68,000
Permits	0	71,000	71,000
Contingencies	<u>0</u>	<u>436,500</u>	<u>436,500</u>

Project Total \$1,209,500 \$3,636,000 \$4,845,500

Grand Total - Four Projects \$4,890,300 \$7,316,800 \$12,207,100

Required Match: 100 percent of FEMA funding. All of the above projects except for the Fire Department Emergency Generators meet the match requirement. As noted above, an amendment to the proposed legislation will bring the Emergency Generator project into agreement with the 100 percent FEMA matching rule.

Indirect Costs: Not allowed by FEMA. Therefore, the proposed resolution would authorize DPW to waive indirect costs.

Comments: 1. Although the Disability Access Checklist and the Summary of Grant Request forms are not in the file as of the writing of this report, Mr. John Sucich of the CAO's Office indicates that these forms will be added to the file before the Finance Committee meeting.

2. Currently the four projects are still in the design phase and have not progressed to the bidding phase. Therefore, the proposed grant amounts for construction totalling \$4,798,964 (\$1,689,464+\$1,400,000+\$500,000+\$1,209,500) should be reserved pending selection of the construction contractors and determination of the contractors' Minority Business Enterprise or Women Business Enterprise (MBE/WBE) status.

Recommendations: 1. Amend the proposed resolution to reserve a total of \$4,798,964 for construction contracts as follows:

LHH Boiler Plant	\$1,689,464
SFGH Service Building	1,400,000
Fire Department Emergency Generators	500,000
Fire Department Station Renovations	<u>1,209,500</u>
Total	<u>\$4,798,964</u>

BOARD OF SUPERVISORS
BUDGET ANALYST

2. Amend the proposed resolution to state that the FEMA grant amount for the Fire Department Emergency Generators is "up to \$500,000".
3. Approve the proposed resolution as amended.

10.25
2
4/92
2
CALENDAR - *John Talar*

SPECIAL MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

MONDAY, SEPTEMBER 14, 1992 - 11:00 A.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ AND HALLINAN

ABSENT: SUPERVISOR MIGDEN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

1. File 252-92-3. [Indemnification Agreement] Resolution authorizing the Mayor to execute an agreement with local investors whereby the City would indemnify local investors against their liability for claims arising out of their participation in attempting to purchase and retain in San Francisco the Giants franchise. (Supervisor Maher)

ACTION: Amendment of the Whole bearing same title (as presented by Supervisor Maher) adopted. Recommended as amended. (To Board for consideration on September 14, 1992)

DOCUMENTS DEPT.

SEP 17 1992

SAN FRANCISCO
PUBLIC LIBRARY

F
0.25
17
1/14/92
CITY AND COUNTY



Public Library, Documents Dept.

OF SAN FRANCISCO

Gerry Roth

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

DOCUMENTS DEPT.

SEP 15 1992

SAN FRANCISCO
PUBLIC LIBRARY

September 11, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendations*
SUBJECT: September 14, 1992 Special Finance Committee Meeting

Item 1 - File 252-92-3

The proposed resolution would authorize the Mayor to execute an agreement with local investors whereby the City would indemnify local investors against their liability for claims arising out of their participation in attempting to purchase and retain the Giants franchise in San Francisco.

The proposed resolution, if approved by the Board of Supervisors, would authorize the Mayor to execute a separate agreement by which the City and County of San Francisco would indemnify, hold harmless and thereby limit the liability of the local investors arising out of their efforts in response to the Mayor's request to assist in putting together a group of investors that would purchase and retain the Giants franchise in San Francisco.

Furthermore, according to the proposed resolution, the rules adopted by Major League Baseball require that any investors seeking to purchase a baseball franchise agree to indemnify Major League Baseball from any and all liability arising out of the purchase of the franchise by such investors. The proposed resolution would therefore also indemnify Major League Baseball against all claims by the City assuming such liability. In other words, instead of the San Francisco investors indemnifying Major League Baseball, the proposed legislation would effectively transfer to the City indemnification for both the local investors and Major League Baseball.

Mr. Ken Taymor of the City Attorney's Office reports that an Amendment of the Whole to the proposed resolution will be presented at the September 14, 1992 Special Finance Committee Meeting. This Amendment will include a draft indemnification agreement, which would be included as an attachment to the proposed resolution.

Comments

1. According to Ms. Louise Renne, the City Attorney, Major League Baseball requires that the purchaser and seller of a Major League franchise agree to indemnify the Major League from all claims, including reasonable attorney's fees, before the Major League will consider approving the sale or transfer of a franchise. Ms. Renne states that both the Giants and the St. Petersburg investors have agreed to indemnify the Major League from all liability arising from that sale. Before San Francisco's investors can present their offer to Major League Baseball, an indemnification agreement must be provided. The proposed resolution would authorize the Mayor to agree on behalf of the City to indemnify the investors from any liability arising out of their activities in connection with the local investors purchase of the San Francisco Giants franchise.

2. Ms. Renne reports that the St. Petersburg City Council has reportedly approved a resolution agreeing not to sue the Major League. A copy of the resolution was not available, so that the specifics of such an agreement are not known. If, as has also been reported, the St. Petersburg investors have agreed to indemnify the Giants against a potential lawsuit and the City of St. Petersburg has agreed not to sue Major League Baseball, Ms. Renne believes there is a minimum of risk for the City of San Francisco to indemnify the San Francisco investors for liabilities incurred by the Major League. However, Ms. Renne cannot estimate the amount of legal costs or the amount of a potential judgment that the City could potentially incur, if such a suit were filed against the Major League.

3. Under the proposed indemnity agreement, the City could also potentially incur legal costs and a potential judgment against the City, on behalf of the local investors. According to Mr. Buck Delventhal of the City Attorney's Office, such a lawsuit would be handled through the City Attorney's Office, by reallocating existing legal staff and assignments. Ms. Renne reports that it is impossible to determine the precise legal expenses or number of attorney hours that would be incurred by the City for such an endeavor. In addition to the City Attorney legal services that would be provided, Ms. Renne indicates that she has received commitments worth over \$1.0 million from several major San Francisco law firms for pro bono legal services to assist the City Attorney in defending the City and the investors against such a lawsuit.

4. Ms. Renne reports that the City would likely win any such lawsuit against the City or the San Francisco investors, such that the City should not incur any additional costs of a settlement or judgment. However, in response to the Budget Analyst's inquiries regarding what the potential financial exposure would be if the City were to lose such a case, Ms. Renne indicates that it is not possible to determine. Any costs that the City would incur, including legal fees, would be General Fund expenses.

5. Mr. Douglas Comstock of the Coalition for San Francisco Neighborhoods informed the Budget Analyst that on September 14, 1992 an application for a temporary restraining order will be filed against the City seeking an order restraining the Board of Supervisors from exceeding their authority to use public funds for private investment. Ms. Renne reports that she does not believe that the Coalition for San Francisco Neighborhoods has a viable case against the City. Ms. Renne indicates that the City Attorney's Office will provide the Board of Supervisors with a list of some prior indemnification authorizations by the Board of Supervisors.

6. Mr. Delventhal referred to two court decisions relevant to the proposed indemnity. According to Mr. Delventhal, the first case, which involved an investor group trying to purchase the National Basketball Association's (NBA) Chicago Bulls for \$3.3 million in 1972, provides a convincing precedent for San Francisco. Another investor group offered \$3.8 million, or \$500,000 more. The owners of the Chicago Bulls presented the first purchase offer to the NBA, which, like Major League Baseball, must approve team franchise purchases and transfers. The NBA declined to approve the sale of the franchise. Subsequently, the NBA approved the sale of the Chicago Bulls to the second group. The first group sued the NBA, the original owner of the Bulls and the second group for interference with their contract. In 1987, the Federal Appeals Court threw out this suit, stating that the original owner had fulfilled his obligation by presenting the offer to the NBA and that the first group had no legal right to expect that their contract could be fulfilled without approval of the NBA.

7. The second case, involved Pennzoil and Texaco's offers to purchase Getty Oil. Mr. Delventhal informs the Budget Analyst that this case is not directly relevant to the sale of the Major League Giants Franchise. Pennzoil offered to purchase a portion of Getty Oil. Texaco subsequently offered an increased price for Getty Oil. The owners of Getty Oil, prior to agreeing to the sale with Texaco, demanded an indemnity agreement from Texaco in order to protect Getty Oil from potential liability. Texaco provided such indemnity and the sale was approved. Pennzoil subsequently sued over interference with their contract with Getty Oil and used the indemnity agreement as evidence in their suit. A judgment of \$3 billion, which was later reduced to approximately \$1 billion, was awarded to Pennzoil. According to Mr. Delventhal, the contract of sale between Pennzoil and Getty Oil was not conditioned upon approval by a separate entity, such as the NBA or Major League Baseball. The Major League Baseball rules make the sale of a franchise subject to the approval of baseball owners. According to Mr. Delventhal, other entities interested in purchasing a Major League franchise are privileged to present their proposals to Major League Baseball owners. Mr. Delventhal reports that such

BOARD OF SUPERVISORS
BUDGET ANALYST

conduct does not interfere with contract relations and is distinct from the Pennzoil case.

8. The Budget Analyst has inquired as to how the City can indemnify an as yet unknown, or unidentified group of investors. Although the Mayor's Office and the City Attorney's Office have been working with the various local investors on the proposed indemnification, the identity of all of the individual investors, to date, has not been publicly disclosed. All of the individual investors will not be identified prior to the Board of Supervisors approving the proposed indemnity legislation.

9. Furthermore, the Budget Analyst inquired regarding the local investors' offer that is being proposed. The Budget Analyst is concerned whether provisions of the proposed offer could potentially affect the City's liability. The City Attorney's Office reports that the specifics of the offer will not be disclosed prior to the September 14, 1992 Finance Committee or Board of Supervisors meeting. According to Mr. Delventhal, the terms of the offer will not affect the liability issues.

10. Mr. Taymor provided a preliminary draft of the indemnification agreement between the City and the San Francisco investors to the Budget Analyst's Office. This draft agreement contains limitations which would restrict the obligations of the City to indemnify the local investors. Some of the specific provisions are: (1) this agreement would not indemnify investors for legal services or fees provided by legal counsel, other than the City Attorney's Office, without the approval of the Board of Supervisors; (2) the proposed agreement would limit the indemnity period until either (a) notification by the Mayor that the City no longer requires assistance to purchase the Giants franchise or (b) some or all of the indemnified persons acquire an interest in the Giants franchise; (3) each indemnified person and each indemnified person's counsel must provide a Representation Letter indicating that they have acted at the Mayor's request to present a proposal to the Major League and that they have not discussed the purchase with Mr. Bob Lurie or other agents of the Giants or with other team owners without the Mayor's knowledge; and (4) this agreement will not indemnify for losses from claims from among the indemnified investors themselves.

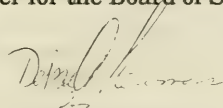
As of the writing of this report, Mr. Taymor reports that the investors' counsel have agreed with the proposed draft provisions. A final version of the indemnification agreement will be presented to the Finance Committee on September 14, 1992.

11. According to Mr. Jim Lazarus of the Mayor's Office, if the Board of Supervisors does not approve the proposed resolution to agree to indemnify the investors against any and all claims arising from their efforts to purchase and retain the Giants franchise in San Francisco, the San Francisco investors will not offer to purchase the Giants.

12. The Budget Analyst is unable to determine the likely amount of any potential claim against investors contemplating the purchase of the San Francisco Giants. However, if such a lawsuit is filed, the amount of damages claimed is likely to be substantial. In such an event, according to the City Attorney, the costs of defending the investors would be handled by the City Attorney's Office, with potential pro bono assistance from outside counsel, unless separate approval for outside legal counsel is received from the Board of Supervisors. In the opinion of the City Attorney, it is likely that the City would successfully defend the investors and therefore not face the prospect of paying a large award.

Recommendation

Approval of the proposed resolution to indemnify local investors against liability for claims arising from their participation in attempting to purchase and retain the Giants in San Francisco is a policy matter for the Board of Supervisors.


Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

DOCUMENTS DEPT.

SEP 22 1992

SAN FRANCISCO
PUBLIC LIBRARY

CALENDAR - Actions Taken

MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, SEPTEMBER 16, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ AND HALLINAN

ABSENT: SUPERVISOR MIGDEN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

- (a) File 25-92-29. [Contracting Out City Services] Resolution concurring with the Controller's certification that uniformed security services can be practically performed for the Public Utilities Commission by a private contractor for a lower cost than similar work services performed by City and County employees. (Public Utilities Commission)

ACTION: Recommended.

- (b) File 25-92-30. [Contracting Out City Services] Resolution concurring with the Controller's certification that maintenance services for facilities of the Department of Parking and Traffic can be practically performed by private contractor for lower cost than similar work services performed by City and County employees. (Department of Parking and Traffic)

ACTION: Recommended.

- (c) File 25-92-31. [Contracting Out City Services] Resolution concurring with the Controller's certification that security services for facilities of the Department of Parking and Traffic can be practically performed by private contractor for lower cost than similar work services performed by City and County employees. (Department of Parking and Traffic)

ACTION: Recommended.

- (d) File 146-92-66. [Grant - State Fund] Resolution authorizing the Department of Public Health, Community Public Health Services, to apply for a grant of \$630,399, which includes indirect costs in the amount of \$30,580, based on twenty percent of salaries from the Federal Bureau of Health Care Delivery Assistance, for linked primary care and substance abuse services; providing for ratification of action previously taken. (Department of Public Health)

ACTION: Recommended.

- (e) File 133-92-3. [Grant] Resolution authorizing the Chief Administrative Officer of the City and County of San Francisco to apply for, accept and expend up to \$95,000 in Household Hazardous Waste Grant funding from the California Integrated Waste Management Board (CIWMB); waiving indirect costs. (Chief Administrative Officer)

ACTION: Amended on page 1, lines 3, 4 and 26, by deleting "accept and expend". Recommended as amended. New title: "Authorizing the Chief Administrative Officer of the City and County of San Francisco to apply for up to \$95,000 in Household Hazardous Waste Grant funding from the California Integrated Waste Management Board (CIWMB); waiving indirect costs."

- (f) File 133-92-4. [Grant - State Funds] Resolution authorizing the Chief Administrative Officer to apply for, accept and expend \$1,341,000 from the Transportation Fund for clean air in the bay area for programs and projects to reduce air pollution from motor vehicles. (Supervisor Britt)

ACTION: Amended on page 1, line 1, and on page 2, line 7, after "for", by deleting "accept, and expend", and adding "retroactively". Further amended on page 1, at the end of line 4, by adding "waiving indirect costs". Recommended as amended. New title: "Authorizing the Chief Administrative Officer to apply for, retroactively, \$1,341,000 from the Transportation Fund for clean air in the Bay Area for programs and projects to reduce air pollution from motor vehicles; waiving indirect costs."

- (g) File 100-92-1.3. [Release of Funds] Requesting release of reserved funds, Redevelopment Agency, in the amount of \$186,330, for the operation of the Agency's Central Records function. (Redevelopment Agency)

ACTION: Release of \$186,330 recommended. Filed.

REGULAR CALENDAR

2. File 250-92-2. [Youth Employment Program] Resolution urging the Mayor to urge the Public Utilities Commission to provide \$500,000 for the funding of year round employment opportunities for African-American youth, Hispanic youth, and youth from the disadvantaged neighborhoods of the Mission, Western Addition and the Bayview-Hunters Point; urging the Redevelopment Agency to provide \$1,000,000 for the funding of year round employment opportunities for African-American youth, Hispanic youth, and youth from the disadvantaged neighborhoods of the Mission, Western Addition and the Bayview-Hunters Point; urging the Mayor to urge the Airports Commission and the Port Commission to commit \$1,000,000 each per year for the next five years to insure the continuing operation of a year-round Youth Employment Program; and urging the Housing Authority to redirect any and all funds that may be allocated for youth services to assist the City's Youth Employment Program. (Supervisors Gonzalez, Kennedy and Alioto)

ACTION: Hearing held. Continued to the Call of the Chair.

3. File 25-92-22. [Contracting Out City Services - Police Department] Resolution concurring with the Controller's certification that janitorial services can be practically performed for San Francisco Police Department facilities by private contractor for lower cost than similar work services performed by City and County employees. (Police Department)
(Cont'd from 9/9/92)

ACTION: Hearing held. Tabled.

4. File 101-91-82.1. [Release of Funds] Requesting release of reserved funds, Department of Public Works, in the amount of \$42,711,000, for construction and construction contingencies of the Islais Creek Transport/Storage Facilities Contract "C"; (contractor, Shimmick Construction Co., Inc./Ohbayashi Corp. (J.V.). (Department of Public Works)

ACTION: Hearing held. Release of \$42,711,000 recommended. Filed.

5. File 97-92-51. [Tropical Hardwoods Contract Language Exemption] Ordinance amending Administrative Code by amending Section 12I.5, which requires every contract to contain a statement urging companies not to import, purchase, obtain, or use for any purposes, any tropical hardwood or tropical hardwood product to exclude contracts with public entities for the provision of water or power. (Public Utilities Commission)

ACTION: Recommended.

6. File 172-92-11. [Tropical Hardwoods Waiver] Ordinance authorizing execution of the contract for the conveyance of water from the 1992 California Drought Emergency Water Bank; authorizing execution of the agreement for wheeling exchange water from San Luis Reservoir to City of San Francisco; and waiving requirement of Section 12I.5(b) of the San Francisco Administrative Code that every contract shall contain a statement urging companies not to use tropical hardwoods or tropical hardwood products. (Public Utilities Commission)

ACTION: Recommended.

7. File 172-92-12. [Contract] Resolution approving the contract between the City and County of San Francisco, Department of Public Health, and Health Management Systems, Inc., to provide retroactive claims reprocessing services. (Department of Public Health)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Approving the contract between the City and County of San Francisco, Department of Public Health, and Health Management Systems, Inc., to provide retroactive claims reprocessing services; ratifying action previously taken."

8. File 172-92-13. [Contract] Resolution approving the modification of the contract between the City and County of San Francisco, Department of Public Health, and HHL Financial Services, Inc., to provide uncompensated care recovery services. (Department of Public Health)

ACTION: Recommended.

CITY AND COUNTY



OF SAN FRANCISCO

DOCUMENTS DEPT.

SEP 15 1992

SAN FRANCISCO
PUBLIC LIBRARY

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

September 14, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendation*
SUBJECT: September 16, 1992 Finance Committee Meeting

Item 1a - File 25-92-29

Department: Public Utilities Commission (PUC)

Item: Resolution concurring with the Controller's certification of costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

Services to be Performed: Uniformed Security Services

Description: The Controller has determined that contracting for uniformed security services at the Municipal Railway's (MUNI) yards in fiscal year 1992-93 would result in estimated savings as follows:

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City Operated Service Costs</u>		
Salaries and Fringe Benefits	\$1,344,411	\$1,629,195
Overhead	372,402	451,287
Uniforms	<u>15,000</u>	<u>15,000</u>
Total	\$1,731,813	\$2,095,482

	Lowest Salary Step	Highest Salary Step
<u>Contracted Service Costs</u>	<u>812,599</u>	<u>812,599</u>
<u>Estimated Savings</u>	<u>\$919,214</u>	<u>\$1,282,883</u>

Comments:

1. Uniformed security services for the PUC at the MUNI yards were first certified as required by Charter Section 8.300-1 in 1983-84 and have continued to be provided by an outside contractor since then.
2. The PUC advises that Burns International is currently providing the uniformed security services under a month-to-month contract. The uniform security services were competitively bid by the PUC in June of 1992. Burns International was selected as the lowest qualified bidder. The PUC is in the process of awarding a two year contract to Burns International that would expire June 30, 1994. The contract would include 5 one-year renewal options.
3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached. Burns International is neither an MBE or WBE firm.

Recommendation: Approve the proposed resolution.

ATTACHMENT D

CHARTER 8.300-1 (Proposition J) QUESTIONNAIREDepartment: Public Utilities Commission

Time Period: 1992-93

Contract Services: Uniformed Security Services

- 1) Who performed service prior to contracting out?

These services have always been performed through an outside contract.

- 2) Number of City employees laid off as a result of contracting out?

None.

- 3) Explain disposition of employee if they were not laid off.

N/A

- 4) What percent of City employees' time is spent on services to be contracted out?

N/A

- 5) How long have the services been contracted out?

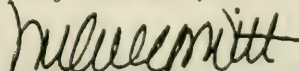
Since 1975 (17 years).

- 6) What was the first fiscal year for a Proposition J Certification?

1983-84

- 7) How will contract services meet the goals of your MBE/WBE/Action Plan?

They will conform with the PUC's and City's MBE/WBE plans.



Michelle Witt
Assistant General Manager
& Director of Finance

Telephone: (415) 923-2560

Item 1b - File 25-92-30

Department: Department of Parking and Traffic,
Parking Authority

Proposed Action: Resolution concurring with Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar work performed by City employees.

Services to be Performed: Facility Cleaning and Landscape Maintenance Services

Description: The Controller has determined that contracting for these cleaning and landscape maintenance services in fiscal year 1992-93 would result in estimated savings as follows:

City Operating Service Costs

Salaries & Fringe Benefits	\$217,782
Indirect Costs	145,948
Operating Expenses	<u>15,000</u>

Total	\$378,730
-------	-----------

<u>Contracted Service Cost</u>	<u>193,176</u>
--------------------------------	----------------

<u>Estimated Savings</u>	<u>\$185,554</u>
--------------------------	------------------

Comments:

1. Cleaning and landscape maintenance services were first certified as required by Charter Section 8.300-1 in 1985 and have been provided by an outside contractor since then.
2. The Parking Authority is currently contracting on a month-to-month basis with Custodian Janitorial Services, a certified MBE firm. The Purchaser is in the process of issuing a competitive bid to acquire a permanent contractor.
3. The Controller's supplemental questionnaire with the Parking Authority's responses, including the MBE/WBE status of this contract, is attached.

Recommendation: Approve the proposed resolution.

Charter 8.300-1 (Proposition J) Questionnaire

Department PARKING AND TRAFFICContract Services Cleaning and landscape maintenance service contract for
Time Period July 1, 1992 - June 30, 1993 neighborhood.

- 1) Who performed services prior to contracting out?
Service has been contracted out for over six years. Prior to that time, the Bureau of Street Cleaning and Urban Forestry performed work.
- 2) Number of City employees laid off as a result of contracting out?
None, to my knowledge.
- 3) Explain disposition of employees if they were laid off.
Re-assigned other responsibilities.
- 4) What percent of City employee's time is spent on services to be contracted out?
Unknown
- 5) How long have services been contracted out?
Since May, 1985
- 6) What was the first fiscal year for a Proposition J Certification?
1984/85
- 7) How will contract services meet the goals of your MBE/WBE Action Plan?
Current contractor is a minority-owned business.

Lee Poteet.
Department Representative

Lee Poteet, Senior Management Assistant
(Type Name, Title)
(415)554-9811
Telephone

cxlquespj

Item 1c - File 25-92-31

Department: Department of Parking and Traffic,
Parking Authority

Item: Resolution concurring with the Controller's certification that security services for the Residential Permit Parking Program, at 370 Grove Street and the metered parking garage at 16th and Hoff Streets can be practically performed by a private contractor for lower cost than similar services performed by City and County employees.

Services to be Performed: Security services for the Residential Permit Parking Program's administrative offices located at 370 Grove Street and the metered parking garage at 16th and Hoff Streets.

Description: The Controller has determined that contracting security services for the Residential Permit Parking Program administrative offices and the metered parking garage at 16th and Hoff Streets from July 1, 1992 to June 30, 1993 would result in estimated savings as follows:

	<u>Lowest Salary Step</u>	<u>Highest Salary Step</u>
<u>City Operated Service Costs</u>		
Salaries	\$222,149	\$270,107
Fringe Benefits	<u>62,202</u>	<u>75,630</u>
Total	\$284,351	\$345,737
<u>Contracted Service Costs</u>	<u>140,603</u>	<u>140,603</u>
<u>Estimated Savings</u>	\$143,748	\$205,134

Comments:

1. According to the Department of Parking and Traffic, these security services were first certified as required by Charter Section 8.300-1 in 1991.
2. The Parking Authority is currently contracting with Burns International on a month-to-month basis for these security services. Burns International is neither an MBE or WBE firm. The Purchaser is in the process of issuing a competitive bid to acquire a permanent contractor.

Memo to Finance Committee
September 16, 1992

3. The Controller's supplemental questionnaire with the Parking Authority's responses, including the MBE/WBE status of this contract, is attached.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Charter 8.300-1 (Proposition J) Questionnaire

Department Parking and TrafficContract Services Security Services, Various LocationTime Period 7/1/92 through 6/30/93

1) Who performed services prior to contracting out?

These services have not been performed before. Similar services for the Department have been done by the San Francisco Police Department on overtime when available.

2) Number of City employees laid off as a result of contracting out?

None

3) Explain disposition of employees if they were laid off.

The Department has no employees doing this currently.

4) What percent of City employee's time is spent on services to be contracted out?

None.

5) How long have services been contracted out?

Never before by this department.

In the process of being bid presently.

6) What was the first fiscal year for a Proposition J Certification?

This would be the second.

7) How will contract services meet the goals of your MBE/WBE Action Plan?

Services will be put to bid through the Purchasing Department under applicable ordinances.



Department Representative

Lee Poteet, Senior Management Assistant

(Type Name, Title)

(415) 554-9811

Telephone

cxlquespj

Item 1d - File 146-92-66

Department: Department of Public Health (DPH),
Community Public Health Services (CPHS)

Item: Resolution authorizing the DPH to apply for a Federal grant,
which includes indirect costs in the amount of \$30,580 based
on 20 percent of salaries and providing for ratification of
action previously taken.

Amount: \$630,399

Source of Grant: U.S. Department of Health and Human Services,
Health Resources and Services Administration

Grant Period: October 1, 1992 to September 30, 1993

Project: Primary Care/Addiction Linkage Treatment Services (PALS)

Project Description: The proposed grant would fund the fourth year of a four-year demonstration project to link primary health care to drug treatment and counseling. The project has three primary objectives: (1) to plan, implement and study the feasibility and outcomes of projects in which substance abuse and primary care services are co-located, (2) to study the impact on health outcomes when case management is provided in this context and (3) to provide training for medical and nursing staff, allied health staff, social workers and community based organizations on substance abuse, primary care, HIV disease, mental illness and the implications for service provision which occur because of the inter-relationship between these elements. Primary care and substance abuse services would be provided to project clients through the City-operated Tom Wadell Clinic, Haight Ashbury Free Clinic and Bayview Hunter's Point Foundation. A staff training component would also be provided at the Haight Ashbury Free Clinic. Additionally, the University of California, San Francisco, Institute for Health Policy Studies would continue to serve as an evaluation consultant for the program.

Budget:	<u>Personnel</u>	<u>FTE</u>	<u>Amount</u>
	Project Coordinator	1.0	\$51,548
	Medical Social Workers	1.6	70,574
	Registered Nurse	0.5	25,786
	Clerk	0.2	<u>4,990</u>
	Subtotal		\$152,898

	<u>FTE</u>	<u>Amount</u>
Fringe Benefits	—	<u>42,811</u>
Total personnel	3.3	\$195,709
Travel and Training		\$1,500
Supplies		2,000
Contractual		400,610
Indirect Costs (20% of salaries)		<u>30,580</u>
Total Grant Budget		\$630,399

No. of Persons to be Served: 360 clients

Required Match: None

Indirect Costs: \$30,580, based on an estimated 20 percent of salaries.

Comments: 1. Contracts with existing contractors would be renewed which includes the following:

Bayview Hunters Point Foundation	\$153,839
Haight Ashbury Free Clinic	197,226
UCSF Institute for Health Policy Studies	<u>49,545</u>
Total Contracts	\$400,610

2. The \$1,500 budgeted for travel and training would fund the Project Coordinator to attend the Linkage Project conference in Washington D.C.

3. The DPH advises that the Department will not retain the grant positions when funding for this project is terminated.

4. DPH reports that the application for the Federal grant has already been submitted. Therefore, the proposed resolution provides for ratification of action previously taken.

5. Attached is the Health Commission "Summary of Grant Request," as prepared by DPH for the proposed grant funds.

6. A Disability Checklist is included in the Board of Supervisors file.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Grant For HHS-BHCDA
 Contact Person Kathleen Sample
 Address 12100 Parklawn Drive
Rockville, M.D. 20857
 Amount Requested \$ 630,399.00
 Term: From 10/1/92 To 9/30/93
 Health Commission _____ Board of Supervisors: Finance Committee _____

Division CPHS
 Section Administration
 Contact Person Jan Murphy
 Telephone 554-2617
 Application Deadline 7/31/92
 Notification Expected 9/30/92
 Full Board _____

I. Item Description: Request to (apply for) (~~accept and extend~~) a (~~new~~)(continuation)(~~renewal~~)(~~renewal~~)(~~renewal~~) grant in the amount of \$630,399.00 from the period of 10/1/92 to 9/30/93 to provide linked primary care and substance abuse services.

II. Summary: (Concise summary; brief abstract; number of groups served; services and providers)

This is the fourth year of the program which provides coordinated linkage between primary health care and substance abuse services in San Francisco. Approximately 200 new clients and 160 continuing clients will receive primary care, substance abuse and case management services. Training will be provided for 900 health professionals.

III. Outcomes/Objectives:

To improve access to care and health outcomes for IV drug users, reduce prevalence of IV drug use, reduce spread of HIV infection among IV drug users, and to raise awareness among health care providers of the importance of linking medical care, substance abuse and HIV services.

IV. Effects of Reduction or Termination of These Funds:

Reduction or termination of these funds would make it impossible to continue the project.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	920,209	623,871	630,399	+ 6,528		
Personnel	258,609	192,935	195,709	+ 2,774		
Equipment	4,855	0	0			
Contract Svc.	512,824	391,985	400,610	+ 8,625		
Mat. & Supp.	46,200	4,000	2,000	(2,000)		
Facilities/Space	0	0	0			
Other	40,000	4,462	1,500	(2,962)		
Indirect Costs	51,721	30,489	30,580	91		

VI. Data Processing:

(none included above)

VII. Personnel:

	6	3	2.0	(1)
F/T CSC				
P/T CSC	.20	1.70	1.30	(.40)
Contractual	7.9	7.9	7.65	(.25)

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Will grant funded employees be retained after this grant terminates? If so, How?

No.

VIII. Contractual Services: Open Bid _____ Sole Source XX (If sole source, attach Request for Exemption Form)

Item 1e - File 133-92-3

Department: Chief Administrative Officer (CAO),
Solid Waste Management Program

Item: Resolution authorizing the CAO to apply for, accept and
expend a grant and waiving indirect costs.

Amount: Up to \$95,000

Source of Funds: California Integrated Waste Management Board

Program: Household Hazardous Waste Collection Program

Description: The Household Hazardous Waste Collection Program is a
joint effort between the CAO's Office and the Sanitary Fill
Company that allows residents to properly dispose of their
household hazardous waste (paint, motor oil, and pesticides.)
Grant funds are awarded by the State to those counties that
have implemented household hazardous waste collection
programs. The proposed grant funds would reimburse the
CAO's Office for public outreach and education expenses
incurred as part of the City's Household Hazardous Waste
Collection Program in fiscal year 1991-92.

Budget:

Postage for mailing information to all San Francisco residents	\$30,000
Joint media campaign with other Bay Area counties to publish public service announcements	10,000
Development of school curriculum for school year 1993-94	10,000
Signs to indicate locations of used automotive oil recyclers	5,000
City environmental booth for street fairs	2,000
"Garbage Cans and Garbage Can'ts" brochure: Printing of 20,000 copies	18,000
Translation into Chinese and Spanish	10,000
Development of three transit shelter signs encouraging recycling of household hazardous wastes (two signs) and the use of alternative household products that are not toxic (one sign)	<u>10,000</u>
Total	\$95,000

Indirect Costs: Solid Waste Management Program requests that Indirect Costs be waived because grantor does not allow for such costs.

Comments: 1. The State awards the proposed grant funds on a formula based on the total population of the county. The proposed grant request is for "up to" \$95,000 because, as of the writing of this report, the amount of funding available for San Francisco has not been finalized. Therefore, the apply for portion of the grant should be approved but the accept and expend clause should be deleted.

2. According to Ms. Maria Trapalis-Baird of the Solid Waste Management Program, the grantor does not allow for indirect costs. The proposed resolution therefore requests authorization for the CAO to waive indirect costs on the proposed grant.

3. The CAO's Solid Waste Management Program has prepared a Disability Access Checklist for the proposed grant. A copy of this checklist is included in the file.

4. A copy of the Grant Summary Form prepared by the Solid Waste Management Program is attached.

Recommendation: Amend the proposed resolution to delete the accept and expend authorizations because the actual amount of the grant has not yet been determined. Approve the proposed resolution as amended.

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: Chief Administrative Officer, Solid Waste Management Program

Contact Person: Maria Trapalis-Baird Telephone: 554-3444

Project Title: Household Hazardous Waste Collection Program

Grant Source: California Integrated Waste Management Board

Proposed (New / Continuation) Grant Project Summary:

The Grant will be used on public education and outreach for the City's Household Hazardous Waste Collection Program. The program is a joint effort between the Office of the Chief Administrative Officer and Sanitary Fill Company which allows San Francisco residents to properly manage their household hazardous waste.

The money is awarded by the California Integrated Waste Management Board each year (this is the third year the program is in existence) to those counties that have implemented household hazardous waste collection programs. The grant is actually reimbursement for expenses incurred as part of the City's Household Hazardous Waste Collection Program in fiscal year 1991-92.

The California Integrated Waste Management Board awards the grant on a formula based on the total population in the County.

Amount of Grant Funding Applied for: Up to \$95,000.

Maximum Funding Amount Available: \$4 million for the entire State of Calif.

Required Matching Funds: 0

Number of Positions Created and Funded: 0

Amount to be Spent on Contractual Services: \$70,000

Will Contractual Services be put out to Bid? Yes

Term of Grant: One year.

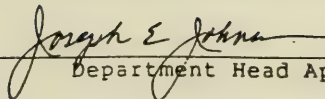
Date Dept. Notified: August 19, 1992.

Term of Grant: One Year

Date Department Notified of Available funds: August 19, 1992

Application Due Date: September 25, 1992

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):



Department Head Approval

Item 1f - File 133-92-4

Department: Chief Administrative Officer (CAO)

Item: Resolution authorizing the CAO to apply for, accept and expend \$1,341,000 from the Transportation Fund for clean air in the Bay Area for programs and projects to reduce air pollution from motor vehicles.

Grant Amount: \$1,341,000

Grant Period: November 1, 1992 through October 31, 1994

Source of Funds: Bay Area Air Quality Management District, Transportation Fund for Clean Air

Projects: Purchasing Department: Compressed Natural Gas Fueling Facility
Recreation and Park Department: Alternative Fuel Shuttle Buses in Golden Gate Park
Department of Parking and Traffic: 19th Avenue Signal Timing Project
Department of Parking and Traffic: Electric 3-wheel Vehicles for Parking Enforcement

Description: State Assembly Bill 434 created the Transportation Fund for Clean Air in the Bay Area and provided authority to the Bay Area Air Quality Management District to impose up to a \$4.00 surcharge on motor vehicle registration fees within its jurisdiction to be used to implement transportation control measures included in the District's 1991 Bay Area Clean Air Plan. On October 16, 1992, the District approved a \$2.00 surcharge on motor vehicle registration fees and is seeking applications from Bay Area cities, counties, school districts, transit districts and other agencies to cover the costs of transportation programs and projects that achieve emission reductions from motor vehicles.

The Purchasing Department, the Recreation and Park Department and the Department of Parking and Traffic have developed programs and projects eligible for AB 434 funding. The proposed grant application is being submitted by the CAO to submit one application for the City, instead of three separate ones for each department's project.

<u>Project</u>	<u>Amount</u>
<u>Purchasing Department</u>	\$500,000
Construction of compressed natural gas (CNG) fueling facility by the Purchasing Department Central Shops to support the implementation of CNG vehicles within the City's fleet of vehicles. The proposed fueling station would be located at DPW's Army Street location. The proposed \$500,000 would fund the following:	
1 150 CFM Compressor	\$90,000
3 Storage Vessels	45,000
2 Fastfill pumps	50,000
3 Slowfill trees	50,000
1 Dehydrator	25,000
Other non-labor	20,000
Installation	<u>220,000</u>
Total	\$500,000

<u>Recreation and Park Department</u>	541,000
---------------------------------------	---------

Demonstration project of shuttle bus service to reduce vehicular traffic in Golden Gate Park. The proposed shuttle buses would be powered by CNG and a CNG fueling facility in the vicinity of the park would be constructed to support both the shuttle busses and other potential CNG vehicles in the Recreation and Park Department and other City departments. Funds would be used to convert four shuttle buses that would run on summer week-ends and holidays.

The shuttle would run from UCSF parking ramp along the periphery of the east end of Golden Gate Park, stopping near Muni stops for pick-ups, and then proceed into the Music Concourse area of the park.

The proposed shuttle bus project would receive \$100,000 from the California Academy of Sciences and \$5,000 from PG&E for a total of \$646,000 (\$541,000 from the proposed grant and \$105,000 from other funding sources). The following is a breakdown of the proposed shuttle bus project:

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Project</u>	<u>Amount</u>
Refueling Station	
Engineering	\$30,000
Construction	375,000
Educational Exhibit	30,000
Vehicle Conversions	
4 @ \$6,000	24,000
Vehicle Operations	
(4 vehicles x 8 hrs/day x \$24 hr x 47	
days = \$36,000)	
(Mileage 2,208 trips x 3 miles	
x \$.60 = \$4,000)	40,000
Parking Subsidy (100 spaces x	
47 days x \$5.75)	27,000
Project Coordinator (\$15 hr, 15%	
taxes & benefits x 695 hours)	12,000
Contingency	50,000
Project Administration	<u>58,000</u>
Total	\$646,000

Department of Parking and Traffic 200,000

Implementation of a signal timing project on 19th Avenue by the Department of Parking and Traffic. This project would replace and repair damaged traffic signal interconnection conduit on 19th Avenue between Winston Drive and Junipero Serra Boulevard with the objective to synchronize traffic signals on this segment of 19th Avenue with other signals north of this segment. The proposed project would require replacement of approximately 4,000 feet of traffic signal interconnect conduit at a cost of \$50 per linear foot.

Department of Parking and Traffic 100,000

Purchase of five electric 3-wheel vehicles to be used for parking regulation enforcement. These vehicles would replace five older gasoline powered 3-wheel vehicles. Each 3-wheel vehicle would cost approximately \$20,000 which includes everything necessary to run the vehicle, including recharge equipment.

Total Grant Amount \$1,341,000

BOARD OF SUPERVISORS
BUDGET ANALYST

Required Match: None

No. of Persons Served: Citywide

Indirect Costs: Not permitted by the grantor.

- Comments:**
1. The application for the proposed grant was submitted on August 31, 1992. Therefore, the proposed resolution should be amended to authorize the CAO to apply for the proposed grant retroactively. In addition, the departments have not received notification of the actual grant amount or which portions of the proposed grant would be funded. Thus, the proposed resolution should be amended to delete authorization to accept and expend the proposed grant.
 2. Details of the proposed grant funded projects, such as selection of contractor(s) to build the proposed fueling facilities, have not been finalized by the departments. Further, the fiscal impact on the City from the proposed projects (e.g. purchasing CNG vehicles and staff time to drive the proposed shuttle buses) has not been clearly defined. The departments report that such information will be provided to the Board of Supervisors when they request authorization to accept and expend the proposed grant funds.
 3. As noted above, the grantor is requesting that indirect costs be waived. However, the proposed legislation only includes language in the body of the proposed legislation and not in the title of the proposed legislation requesting that indirect costs be waived. As such, the proposed resolution should be amended to include language in the title requesting that indirect costs be waived.
 4. According to the Purchasing Department, in FY 1992-93 the City intends to purchase one CNG pickup truck and at least two and up to 11 CNG vehicles through the vehicle replacement program (two vehicles definitely and up to nine more contingent on the construction of a fueling facility). In addition, the Purchasing Department reports that the Mayor's City automobile will be converted to CNG. Further, the Purchasing Department anticipates that at least 150 existing City vehicles could be replaced with CNG vehicles over the next 3-5 years.
 5. The Recreation and Park Department estimates that the proposed shuttle service would reduce vehicle trips per day into Golden Gate Park by approximately 1,000.

6. Attached is the Summary of Grant Request Form as prepared by the CAO.

7. A Disability Access Checklist is included in the Board of Supervisors file.

Recommendations: Amend the proposed resolution to:

1. Authorize the CAO to apply for the proposed grant retroactively.

2. Delete authorization to accept and expend the proposed grant.

3. Include language in the title requesting that indirect costs be waived.

Approve the proposed resolution as amended.

Grantor Bay Area Air Quality DistrictDivision Chief Administrative Officer

Contact Person _____

Section _____

Address _____

Contact Person Fred WeinerAmount Requested \$ 1,341,000

Telephone _____

Term: From Nov. 1, 1992 to Oct. 31, 1994Application Deadline August 31, 1992Notification Expected October, 1992Board of Supervisors: Finance Committee

Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation) to a grant in the amount of \$ 1,341,000 from the period of 11-1-92 to 10-31-92 to provide reduce pollution from motor vehicles services.

II. Summary: (Context/history; need addressed; number + groups served; services and providers)

The grant would fund the construction of compressed natural gas fueling facilities, alternative fuel shuttle buses, 19th Avenue signal project and the purchase of five electric 3-wheel vehicles.

III. Outcomes/Objectives:

Reduce emissions from motor vehicles in the City.

IV. Effects of Reduction or Termination of These Funds:

One time funding to purchase equipment & capital projects. Reduction or termination would mean the City could not at this time construct or purchase fueling facilities, shuttle buses, 3-wheel vehicles, etc.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount			\$1,341,000			
Personnel						
Equipment						
*Contract Svc.						
Mat. & Supp.						
Facilities/Space						
Other						
Indirect Costs						

VI. Data Processing

(costs included above)

VII. Personnel

F/T CSC		N/A		
P/T CSC		N/A		
Contractual				

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

N/A

Will grant funded employees be retained after this grant terminates? If so, How?

N/A

*VIII. Contractual Services: Open Bid X Sole Source _____ (if sole source, attach Request for Exception Form)

Item 1g - File 100-92-1.3

Department: San Francisco Redevelopment Agency (SFRA)

Item: Request to release reserved funds for the operation of the Agency's Central Records function.

Amount: \$186,330

Description: During the FY 1992-93 budget review, the Board of Supervisors placed \$186,330 or ten months funding on reserve for the SFRA's Central Records Function pending a submission of the Records Management Program Task Force's report to the Board of Supervisors. SFRA has submitted the Records Management Program Task Force's report to the Board of Supervisors and is requesting a release of the \$186,330 on reserve.

In January of 1992, the Budget Analyst submitted a Management Audit Report on the Redevelopment Agency which, among other findings, discussed that the SFRA's Records Retention program has not been evaluated since its formal inception and should be reevaluated by the SFRA Commission. The Budget Analyst recommended that the program be evaluated to determine whether it would be less expensive for the SFRA to contract out the microfilming of SFRA documents. In response to the Budget Analyst's recommendation, the SFRA assembled a Records Management Programs Task Force. This Task Force hired a records management consultant to evaluate the financial feasibility of contracting out the SFRA's microfilming services.

The SFRA has submitted the consultant's report which found that, because the Agency's Records Retention program staff spend most of their time providing support services for the SFRA, it would be more costly to contract out microfilming services. According to the consultant, these tasks are directly related to the work of SFRA, and are not tasks that a microfilm service company could provide. The consultant estimated that contracting out would cost the SFRA an additional \$11,725 annually. As such, the SFRA is requesting a release of the reserved \$186,330 to continue to provide microfilming services in-house.

Based on our review of the consultant's report, we concur with the consultant's finding that microfilming service should continue to be provided in-house.

Memo to Finance Committee
September 16, 1992

Recommendation: Release the requested \$186,330.

Item 2 - File 250-92-2

Resolution urging the Mayor to urge the Public Utilities Commission (PUC) to provide \$500,000 for the funding of year-round employment opportunities for African-American youth, Hispanic youth, and youth from the disadvantaged neighborhoods of the Mission, Western Addition and the Bayview-Hunters Point; urging the Redevelopment Agency to provide \$1,000,000 for the funding of year-round employment opportunities for African-American youth, Hispanic youth and youth from the disadvantaged neighborhoods of the Mission, Western Addition and the Bayview-Hunters Point; urging the Mayor to urge the Airports Commission and the Port Commission to commit \$1,000,000 each per year for the next five years to insure the continuing operation of a year-round Youth Employment Program; and urging the Housing Authority to redirect any and all funds that may be allocated for youth services to assist the City's Youth Employment Program.

The Board of Supervisors previously approved legislation which urged the Mayor to establish a Youth Employment Program that would coordinate year-round employment services in the City (File 250-92-1). The proposed legislation would urge the Mayor to urge the above-noted City agencies to commit funds to this Program.

Comments

1. Mr. Tom Elzey of the PUC reports that while the Department is very supportive of the concept of a Youth Employment Program, due to the potential cuts the PUC will have to absorb as a result of the State budget cuts, the PUC is unable, at this time, to identify a source of funds in its current budget that could be allocated to the proposed Youth Employment Program.

2. Ms. Veronica Sanchez of the Port advises that due to State budget cuts, the Port's \$11 million reserve fund could be cut by approximately \$8.3 million, which would jeopardize key Port projects which are underway. As such, Ms. Sanchez states that although the Port is supportive of efforts to establish a Youth Employment Program, the Port is unable, at this time, to identify funds within its current budget that could be used to support such a Program.

3. Ms. Debra Whittle of the Housing Authority reports that the Housing Authority currently has one grant, which is earmarked for drug abuse prevention services for youth. Ms. Whittle advises that under the rules and regulations of the Housing Authority, there are no funds available in the Housing Authority's ongoing operating budget which could be used to support the proposed Youth Employment Program. Ms. Whittle advises, however, that the Housing Authority would be willing to create Housing Authority jobs (i.e., clerical and maintenance) for youth, provided that funds outside of the Housing Authority could be identified to support such jobs. Ms. Whittle added that the Housing Authority would also be willing to seek additional grant monies that could be used for youth employment services.

4. Mr. Peter Nardoza of the Airport reports that under the Airport's agreement with the Aircraft Companies, the Airport can allocate 15 percent of concessionaire funds annually to the City's General Fund. Any other funds provided to the City must be used to pay for direct services. Mr. Nardoza advises that although the Airport considers the proposed Youth Employment Program to be important and is supportive of the idea conceptually, the Airport is not legally in a position to set aside funds for this Program without there being a specific program format that would define what type of direct services the Airport would pay for. Additionally, Mr. Nardoza noted that aside from a program format, other issues related to establishing a job's program, such as, addressing the concerns, if any, of the City's unions and determining what Civil Service requirements and regulations would apply, need to be taken under consideration.

5. The Redevelopment Agency has allocated \$1,000,000 to be used for the Youth Employment Program. Of the \$1,000,000, \$500,000 must be used for program services in the Western Addition and the remaining \$500,000 must be used to support program services in the Bayview-Hunters Point. These funds cannot be used to fund program services in any other area of the City. The \$1,000,000 has been placed on reserve pending the submission of a specific program plan for the Youth Employment Program (File 100-92-1.2).

6. Mr. Patrick Lynch of the Mayor's Gang Prevention Task Force reports that the Task Force will be responsible for developing a program format for the Youth Employment Program, as well as for the ongoing administering and monitoring of the Program. Mr. Lynch advises that he is in the process of developing the program format, and anticipates having a draft completed by the Finance Committee meeting on September 16, 1992. Mr. Lynch states that the Youth Employment Program will begin as a pilot program which will initially be funded by the \$1,000,000 that has been allocated by the Redevelopment Agency.

Recommendation

Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 3 - File 25-92-22

Note: This item was continued at the September 9, 1992 Finance Committee Meeting. The Finance Committee members had concerns regarding the provision of health insurance by the low bidders to their employees and payment of the prevailing wage. The contracts were rebid, but selection of the low bidder had not been finalized as of the September 9, 1992 meeting.

Department: Police Department

Item: Resolution concurring with the Controller's Certification of Costs required by Charter Section 8.300-1 (Proposition J) that certain services can continue to be practically performed by a private contractor for a lower cost than similar services performed by the City and County of San Francisco.

Services to be Performed: Janitorial Services for all nine District Police stations, the Police Academy, the Pistol Range, the Juvenile Division, and the Golden Gate stables.

Description: The Controller has determined that contracting for these janitorial services in fiscal year 1992-93 would result in estimated savings as follows:

	Highest Salary Step	Lowest Salary Step
<u>DPW Operated Costs</u>	\$740,230	\$617,815
<u>Contracted Service Cost</u>	<u>280,000</u>	<u>280,000</u>
<u>Estimated Savings for Contracted Service Cost</u>	\$460,230	\$337,815

Comments: 1. The above DPW Operated Cost estimate reflects amounts submitted by the Department of Public Works (DPW) to the Controller and certified by the Controller. The Contracted Service Cost estimate is based on the approximate lowest price bid received from the three janitorial contract bidders on July 27, 1992.

2. DPW currently provides janitorial services to the Police Department. FY 1992-93 would be the first year that the Police Department would fully contract for these janitorial services.

3. According to Officer Tom Strong, of the Police Department's Accounting Office, the Police Department continues to pay \$33,796 to the Department of Public Works monthly for janitorial services from July 1, 1992 to the

BOARD OF SUPERVISORS
BUDGET ANALYST

present from the Police Department's FY 1992-93 Building and Repair budget. The Police Department continues to purchase janitorial services from DPW pending selection of the private contractors. Mr. Strong advises that a total of \$280,000 has been budgeted for contracted janitorial services in the FY 1992-93 budget. The \$67,592 used to provide janitorial services in July and August, as well as any amounts required to be expended pending selection of contractors, will be deducted from the \$280,000 and returned to the Building and Repair account. The remaining balance will be used to pay for the contracted janitorial services.

4. Mr. Steve Lutz, Senior Analyst of the Police Department's Planning Division, reports that the scope of janitorial services provided to the Police Department would eliminate the Hibernia Bank Building facility and add the Pistol Range. In addition, Mr. Lutz stated that the Police Department has not been satisfied with the level of service currently provided by DPW. As a result, Mr. Arnie Sowell of the Controller's Office reports that the 1992-93 proposed in-house versus contracted services represent a higher level of janitorial services than what has been historically provided. Mr. Raymond Zahndt of the Department of Public Works estimates that to provide the level of service the Police Department is now requesting, the Department of Public Works would have to expand their current staff level from 6 FTE to 13 FTE. This increased level of service is reflected above in the DPW Operated Cost estimate and Contracted Service Cost estimate provided by the Controller's Office.

5. The Finance Committee requested that the Controller estimate the costs of the Police Department providing these services directly by employing janitors. The Controller has determined that Police Department In-house Janitorial Services as compared with DPW Janitorial Services and contractual janitorial services are as follows:

	Highest <u>Salary Step</u>	Lowest <u>Salary Step</u>
DPW Operated Costs	\$740,230	\$617,815
Police Department In-House Janitorial Services	<u>726,344</u>	<u>625,934</u>
<u>Estimated Savings for Police vs. DPW Janitorial Services</u>	<u>\$13,886</u>	<u>(\$8,119)</u>
Police Department In-House Janitorial Services	\$726,344	\$625,934
Contracted Service Cost	<u>280,000</u>	<u>280,000</u>
<u>Estimated Savings for Contracted Service Cost vs. Police In-House</u>	<u>\$446,344</u>	<u>\$345,934</u>

Therefore, as noted above, it would be between \$8,119 more expensive to \$13,886 less expensive for the Police Department to directly provide its own janitorial services in 1992-93 rather than through DPW. However, as also noted above, it would be approximately \$345,934 to \$446,344 less expensive for the Police Department to contract out for janitorial services than to hire in-house janitors in the Police Department. As previously discussed, changing from the current DPW janitorial services to contractual janitorial services would result in an estimated 1992-93 annualized savings ranging from approximately \$337,815 to \$460,230.

6. Mr. Carl Bunch of the Mayor's Office, Employee Relations Division, advises that the City of San Francisco does not have a duty to meet and confer with the Union regarding the contracting out of services before a decision is made unless layoffs will occur as a result of the decision. However, following a decision to contract out, the City does have an obligation to meet and confer with the Union regarding the impact of the decision on bargaining unit employees. The Service Employees International Union's (SEIU), Memorandum of Understanding (MOU) also states that upon request by the Union and prior to the City making any final decision, the City will hold informational meetings with the Union to discuss and attempt to resolve issues relating to the contracting out of services. Mr. Bunch reports that there have been no requests for informational meetings from the Union.

7. The Controller's Office notes that the proposed Proposition J certification must be approved prior to any contract for services being awarded. The Controller's supplemental questionnaire with the Department's responses, including MBE/WBE status, is attached.

8. The Police Department has rejected all of the original bids and has asked the Purchasing Department to rebid the contracts for janitorial services (the janitorial services duties are to be split into two parts in order to allow two contractors to obtain City contracts). Mr. Ara Manasian of the Purchasing Department reports that the apparent low bidder (a single firm is the low bidder on both parts of the janitorial work) has been selected but, as of the writing of this report, the Purchasing Department must perform reference checks, must receive the Human Rights Commission's decision on the Local Business Enterprise status of the apparent low bidder and must verify bonding and insurance apparent before the apparent low bidder can finally be named the true low bidder. Mr. George McIntosh of IBS Building Maintenance company, the apparent low bidder, states that his company pays from \$5.75 to \$6.50 per hour and provides a health insurance option to his employees. The total annualized contract amount is \$175,427, considerably less than the \$280,000 contracted service cost estimated used by the Controller.

9. If the apparent low bidder is awarded the janitorial contract for FY 1992-92 at an annualized rate of \$175,427, this would result in estimated annual savings of \$442,388 to \$564,803 as compared with DPW's Annual Operating Costs. Even after paying DPW a total of \$101,388 for janitorial services from July 1 through September 30, 1992, (three months at \$33,796), the Police Department would still end the year with a surplus in their budget for janitorial services of \$47,042 (\$280,000 budgeted less \$101,388 for DPW's costs for three months and \$131,570 for nine months at the annual rate of \$175,427).

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 4 - File 101-91-82.1

Departments: Department of Public Works (DPW)
Clean Water Program

Item: Request to release reserved funds for construction and construction contingencies for the Islais Creek Transport/Storage Facilities contract.

Amount : \$42,711,000

Source of Funds: 1991 Sewer Revenue Bonds

Description: In June of 1992, the Board of Supervisors approved a supplemental appropriation ordinance for \$65 million to fund construction for the Islais Creek Transport/Storage Facilities. The Board of Supervisors placed \$61,930,000 (\$56,300,000 construction contract and \$5,630,000 for related contingencies) on reserve pending the selection of the contractors, MBE and/or WBE status of the contractors and finalized cost details. This is a request to release \$42,711,000 of the \$61,930,000 placed on reserve. The construction of the Islais Creek Transport/Storage Facilities would permit the City to reduce the current sewage overflow into the bay at Islais Creek.

Shimmick Construction Co., Inc./Obayashi Corp. Joint Venture (J.V.) submitted the lowest bid of \$38,827,835. The remainder of the \$42,711,000 request is \$3,883,165 or ten percent of the construction cost, which would be utilized for construction contingencies. Shimmick Construction Co., Inc./Obayashi Corp. (J.V.) is neither a City certified MBE nor WBE firm. However, the Human Rights Commission (HRC) has approved the proposed contractor because Shimmick Construction Co., Inc./Obayashi Corp. (J.V.) has committed a minimum of 15 percent of the contract work to Minority Business Enterprise subcontractors and 3.5 percent to Woman Business Enterprise subcontractors. Therefore, Shimmick Construction Co., Inc./Obayashi Corp. (J.V.) is in compliance with the pre-award requirements (14 percent MBE goal and 3.3 percent WBE goal) as set forth under the HRC Affirmative Action program, State loan contract and Chapter 12B of the City's Administrative Code.

Further, although Shimmick Construction Co., Inc./Obayashi Corp. (J.V.) had committed to 15 percent of the contract work to MBE or WBE firms, the actual subcontract amount to MBE/WBE firms is \$7,226,396 or 18.6 percent of the \$38,827,835 contract amount as follows:

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Company</u>	<u>MBE/WBE Status</u>	<u>Contract Amount</u>
Avar Construction	WBE	\$301,796
A. Ruiz Construction	MBE	4,200,000
Esquivel Grading & Paving	MBE	284,600
Oliver Construction	MBE	48,000
Vickers	WBE	17,000
Nationwide Construc.	WBE	875,000
Cathy's Trucking	WBE	200,000
Big "J" Trucking (Truck Broker using 37 MBE trucking companies)		<u>1,300,000</u>
Total MBE/WBE Subcontracts		\$7,226,396

Comments:

1. The actual contract amount of \$42,711,000 is \$19,219,000 less than the Department's estimate of \$61,930,000. According to Mr. Manfred Wong of the Clean Water Program, the \$19 million difference is probably due to the current shrinking construction market which is making construction bids more competitive.

2. Because the \$61,930,000 was placed on reserve for the construction contract and that contract is \$19,219,000 less than the \$61,930,000 reserve, the \$19,219,000 difference should remain on reserve.

Recommendations: Release the requested \$42,711,000. Continue to reserve the remaining \$19,219,000.

Item 5 - File 97-92-51

Department: Public Utilities Commission (PUC)

Items: Ordinance amending Section 12I.5 of the San Francisco Administrative Code, which requires every City contract to contain a statement urging the contractors not to import, purchase, obtain or use for any purposes, any tropical hardwood or tropical hardwood product to exclude City contracts with other public entities if such contracts are for the provision of water or power.

Description: Section 12I.5 of the Administrative Code requires that every contract, without exception, contain a statement urging companies not to import, purchase, obtain, or use for any purpose, any tropical hardwood or tropical hardwood product. According to the PUC, public entities object to including policy statements in contracts which have not been adopted by and may not be consistent with the policies of their own governing bodies, and the constituencies which they represent.

The proposed ordinance would provide that the requirement that a statement regarding tropical hardwoods be waived for contracts between the City and other public entities for the provision of water or power and related services.

Comments: 1. According to Section 12I.5 of the Administrative Code, the use of tropical hardwoods is undesirable because the deforestation of tropical rain forests causes: (1) global warming and atmospheric imbalances; (2) the displacement and death of indigenous peoples, and the destruction of the cultures of indigenous peoples; and (3) the endangerment or extinction of 30 species each day.

2. According to the PUC, due to the drought, only a limited amount of water is available for purchase and a large number of entities are seeking to purchase any available supplies. The PUC advises that the requirement that a statement regarding tropical hardwoods be included in all contracts impedes the City in acquiring supplies of water.

3. A proposed ordinance currently being considered by the Finance Committee of the Board of Supervisors would authorize the Water Department to enter into an agreement to purchase water from the California Drought Emergency Water Bank. The California Department of Water Resources (DWP) controls the conveyance facilities for water from the Drought Emergency Water Bank. DWR will not sign

agreements to convey water to San Francisco as long as those agreements contain language pertaining to tropical hardwoods. Without these agreements, San Francisco cannot obtain water from the DWR, since such water must be conveyed through DWR's system of aqueducts and pump stations. (File 172-92-11)

4. Mr. John Mullane of the Water Department advises that any contracts with other public entities that might be exempted from Section 12I.5 would not use tropical hardwood products.

5. Mr. Tom Berliner of the City Attorney's Office advises that the language of the ordinances pertaining to other policy statements, such as South Africa, the MacBride principals, and support for disadvantaged businesses has been interpreted by the City Attorney to exempt contracts with other public entities. According to Mr. Berliner, the language of Section 12I.5 currently cannot be interpreted to exclude contracts with other public entities.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 6 - File 172-92-11

Department: Public Utilities Commission (PUC)
Water Department

Items: Ordinance authorizing execution of the contract for the conveyance of water from the 1992 California Drought Emergency Water Bank; authorizing execution of the agreement for wheeling exchange water from San Luis Reservoir to the City of San Francisco; and waiving the requirement of Section 12I.5(b) of the San Francisco Administrative Code that every contract shall contain a statement urging companies not to use tropical hardwoods or tropical hardwood products.

Description: Water storage for all of San Francisco's reservoirs, including Hetch Hetchy, is lower than it was at this time last year, the PUC advises. The PUC also advises that the water rationing program, which requires that San Franciscans reduce their water use by 25 percent, has been a success. According to the PUC, San Francisco customers have used less water than allocated. However, because of continuing drought conditions, the PUC is still unable to meet its water demands.

The proposed ordinance would authorize the PUC to enter into an agreement to purchase water from the California Drought Emergency Water Bank. Such water would be conveyed, or "wheeled," to San Francisco from the Kern County Water Agency using aqueducts and pump stations owned by the State. The total cost of the water and conveyance would be approximately \$250 per acre foot. The PUC advises that the total cost for water would not exceed \$1,750,000. Funds for such water are included in the Water Department's FY 1992-93 budget under Fixed Charges.

Comments: 1. The California Department of Water Resources (DWP) controls the conveyance facilities for water from the Drought Emergency Water Bank. DWR will not sign agreements to convey water to San Francisco as long as those agreements contain language pertaining to tropical hardwoods, because a policy pertaining to tropical hardwoods has not been adopted by the DWP. Without these agreements San Francisco cannot obtain water, since such water must be conveyed through DWR's system of aqueducts and pump stations.

2. A proposed ordinance currently being considered by the Finance Committee (see Item 5 - File 97-92-51 of this report) of the Board of Supervisors would provide that the requirement that a statement regarding tropical hardwoods be waived for contracts between the City and other public entities for the provision of water or power and related services. (File 97-92-51).

3. The proposed contract would have no effect on water rates, the PUC advises.

Recommendation: 1. Waiving the requirement that all City contracts with public entities shall contain a statement urging companies not to use tropical hardwoods or tropical hardwood products is a policy matter for the Board of Supervisors.

2. Subject to the policy decision on this waiver, we recommend approval of this proposed ordinance.

Item 7 - File 172-92-12

Department: Public Health

Item: Resolution approving the contract between the City and County of San Francisco, Department of Public Health, and Health Management Systems, Inc., to provide retroactive claims reprocessing services.

Description: The current retroactive claims reprocessing service provider, Health Management Systems, Inc., matches the names of individuals who have not paid their bills with an extensive database of individuals eligible to receive MediCal or MediCare, prior to classifying unpaid medical services bills as either charity care or unpaid debts to San Francisco General Hospital.

The proposed resolution would approve a continuing contract between the Department of Public Health and Health Management Systems, Inc., to provide such retroactive claims reprocessing services. According to the proposed contract, Health Management Systems, Inc., would receive 25 percent of funds recovered from MediCal and MediCare for retroactive claims.

- Comments:**
1. Ms. Sharon Kennison of the DPH advises that in FY 1991-92, Health Management Systems, Inc. recovered \$2.53 million from MediCal and MediCare, of which \$1.9 million, or 75 percent, accrued to the City, and \$.63 million accrued to the contractor.
 2. Ms. Kennison advises that Health Management Systems, Inc. is recommended on a sole source basis, since the proposed resolution would authorize a two year extension of an existing one-year contract. Health Management Systems, Inc. has been providing retroactive claims reprocessing services to the City since 1986.
 3. The proposed contract period would be from July 1, 1992 to June 30, 1994. Therefore, the proposed resolution should be amended to ratify action previously taken.
 4. According to Ms. Kennison, the retroactive claims reprocessing service contract was bid competitively in 1991, but no firms responded except Health Management Systems, Inc. Ms. Kennison reports that Health Management Systems, Inc. is recognized in California and nationally as the only firm providing retroactive claims reprocessing services.

5. Health Management Systems, Inc. is not an MBE/WBE firm.

Recommendation: Amend the proposed resolution to ratify action previously taken, and approve as amended.

Item 8 - File 172-92-13

Department: Public Health (DPH)

Items: Resolution approving the modification of the contract between the City and County of San Francisco, Department of Public Health, and HHL Financial Services, Inc., to provide uncompensated care recovery services.

Description: The proposed resolution would approve a three-month extension from October 1, 1992 through December 31, 1992 of an existing contract between the Department of Public Health and HHL Financial Services, Inc., to provide uncompensated care recovery services. HHL Financial Services currently assists individuals who have been referred by San Francisco General Hospital and who qualify for MediCal because they are indigent and have no other sponsorship (such as private health insurance). HHL Financial Services provides three field representatives who, for example, assist individuals to fill out MediCal forms or to gather documentation. Field representatives might also represent MediCal applicants in appeals if an application is denied.

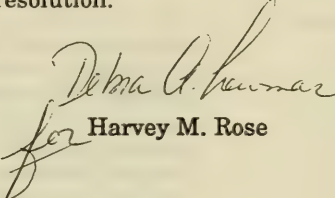
According to the proposed contract extension, HHL Financial Services would receive 25 percent of funds recovered from MediCal and MediCare for retroactive claims.

- Comments:**
1. Ms. Sharon Kennison of the DPH advises that in FY 1991-92, HHL Financial Services recovered \$3.3 million from MediCal through assisting individuals to qualify, of which \$2,475,000, or 75 percent, accrued to the City, and \$825,000 accrued to the contractor.
 2. Ms. Kennison reports that the DPH is requesting an extension of the contract with HHL Financial Services since uncompensated care recovery services are currently being bid competitively. According to Ms. Kennison, bids are due in September 14, 1992. Uncompensated care recovery services were last bid competitively in 1990, Ms. Kennison reports.
 3. The current contract with HHL Financial Services expires September 30, 1992. Since the DPH would have insufficient time to select a contractor and receive approval from the Health Commission, the Civil Service Commission, and the Board of Supervisors before October 1, 1992, the DPH is requesting authorization to extend the current contract until December 31, 1992.

4. HHL Financial Services is not an MBE/WBE firm. Ms. Kennison reports that the firm has shown a commitment to equal opportunity employment, in that HHL Financial Services has provided an excellent ethnic and multi-language workforce to serve the SFGH patient population.

5. HHL Financial Services has been providing uncompensated care recovery services to the City since 1988.

Recommendation: Approve the proposed resolution.


for Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

25
192
PLEASE NOTE THAT MEETING
WILL BEGIN AT 7:00 P.M.

1111
CALENDAR - Actions Taken

DOCUMENTS DEPT.

SEP 28 1992

SAN FRANCISCO
PUBLIC LIBRARY

1111
SPECIAL BUDGET MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

1111
WEDNESDAY, SEPTEMBER 23, 1992 - 7:00 P.M.

LEGISLATIVE CHAMBER
2ND FLOOR, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

1. File 101-92-7. Hearing to consider amendments to the 1992-93 Annual Appropriation Ordinance. (Supervisor Gonzalez)

(Changes which will reflect the City's budget as a result of the State budget cuts.)

ACTION: Hearing held. Recessed to September 26, 1992, meeting.

2. File 291-92-1. Hearing to consider all special funds currently administered by the Controller. (Supervisor Migden)
(Cont'd from 9/2/92)

ACTION: Recessed to September 26, 1992, meeting.

3. File 100-92-6. Hearing to consider a review of the City's General Fund expenditures and policy on the use of city-owned employee cars. (Supervisor Hallinan)

ACTION: Recessed to September 26, 1992, meeting.

4. File 205-92-3. Hearing to consider a "Voluntary Release" program for employees of the City and County of San Francisco as a cost saving item for this year's revised budget. (Supervisor Hallinan)

ACTION: Recessed to September 26, 1992, meeting.

DOCUMENTS DEPT.

SEP 28 1992

SAN FRANCISCO
PUBLIC LIBRARY

5. File 161-92-4.1. [Redevelopment Agency Budget and Bonds] Resubmission of the Redevelopment Agency Budget as approved as amended, as a condition of approval, to present the Agency's 1992-93 Fiscal Year Budget to the Board of Supervisors, by September 1, 1992 for reconsideration in light of the fiscal impact to the Agency and City and County that may result from the final adoption of Fiscal Year 1992-93 Budget for the State of California; companion measure to File 161-92-4. (Redevelopment Agency)
(Cont'd from 9/9/92)

ACTION: Recessed to September 26, 1992, meeting.

F
10.25
7
23/92
CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

DOCUMENTS DEPT.

SEP 22 1992

SAN FRANCISCO
PUBLIC LIBRARY

September 21, 1992

TO: Finance Committee

FROM: Budget Analyst *Recommendations*

SUBJECT: September 23, 1992 Special Finance Committee Meeting

Item 1 - File 101-92-7

This item is a hearing to consider amendments to the 1992-93 Annual Appropriations Ordinance.

The Budget Analyst will be submitting a report on the Mayor's revised budget to the Board of Supervisors on September 24, 1992. The Finance Committee will hold public hearings on September 26 and 30 and October 1, 1992 to consider amendments to the 1992-93 budget (Annual Appropriations Ordinance and the Annual Salary Ordinance). Recommendations for such amendments are scheduled to be considered by the Board of Supervisors on October 5 and 13, 1992.

Item 2 - File 291-92-1

Note: This item was continued from the September 2, 1992 Finance Committee Meeting.

This is a hearing to consider all special funds administered by the Controller.

The attached August 31, 1992 report of the Controller provides information as to the City's Special Funds and the extent to which they may be available for transfer to the General Fund. The report also includes the Administrative Code sections which would have to be amended to effect transfer of each of these funds to the General Fund.

The Budget Analyst is reviewing those funds with large fund balances as part of our review of the Mayor's proposed budget revisions.

City and County of San Francisco

Office of Controller



August 31, 1992

Finance Committee
Board of Supervisors
235 City Hall
San Francisco, CA 94102

Honorable Members:

At the request of Supervisor Carole Migden, the Controller was requested to prepare a report of Special Funds in the City and County of San Francisco.

Attached is a table which lists all funds on the books of the City, except funds set up for:

- accounting convenience
- capital/bond/grant projects
- restricted trust, agency or gift funds

The list is arranged in order by the city department primarily responsible for the operations of each fund. Also shown is the statutory authority creating the fund, its primary revenue source and the authority under which each fund may expend monies - by Board appropriation or continuing expenditure authority.

Some of these funds, where their revenue sources are relatively stable and predictable are regularly included in the annual budget of the City. Funds with unstable or unpredictable sources are usually only appropriated when sufficient resources are available.

Funds which have continuing expenditure authority are primarily those funds established to account for installation or inspection fees from the public for specific services performed. For example, DPW sewer installation fee deposits cover the cost of installing side sewers for property owners where the actual cost to install the sewer line cannot be determined until the work is completed. A deposit is received and the excess amount over cost is refunded. It would be quite cumbersome to have each deposit separately appropriated by the supplemental appropriation process.

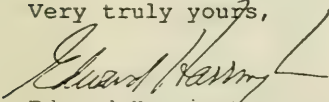
Supervisor Migden also requested information on the availability of special fund balances for possible transfer to the General Fund. The list shows few significant uncommitted resources available which could be used by the General Fund. For example, the Hotel Tax allocation formula contained in Municipal Code Section 515 could be altered by the Board so that the War Memorial did not receive the 10 percent share of these revenues it currently enjoys. However, if this were to occur, it would severely impact the operations of the War Memorial and Performing Arts Center.

To comply with the Supervisor's request, where there appears to be no statutory bar to a transfer we have indicated that the fund could be reprogrammed even though there may be ongoing departmental operations and programs funded from the current special fund allocation. We recommend further analysis of possible program or policy considerations before any transfers are recommended.

There are differences between the cash balance at August 21 and available resources balance at June 30. These occur because of timing differences, transactions recorded between the two dates and the fact that resources may be received and obligations incurred which can affect fund balances independently of the receipt or disbursement of cash. Balances for cash and fund balance were shown to be responsive to your request however, they do not necessarily represent precise amounts which could possibly be transferred to the General Fund.

I will be happy to provide whatever additional information you might find helpful.

Very truly yours,



Edward Harrington
Controller

cc: Budget Analyst

Spec.

SPECIAL FUNDS

CITY AND COUNTY OF SAN FRANCISCO

CODE	TITLE	RESPONSIBLE FUND AUTHORITY		PRIMARY SOURCE OF FUNDS	APPROVAL TO ANNUAL BUDGET		FUND BALANCE	CASH BALANCE	MAY TRANSFER TO FUND GENERAL FUND OR CC (SEE NOTE)
		DEPARTMENT	ADMIN CODE		ANNUAL BUDGET	SUPPL APPN			
02-003	SENIOR CITIZEN PROGRAMS	AGING	ADMIN CODE 5.50	MUNI CODE	X		(755,559)	2,975,627	02-0
02-002	ANIMAL CONTROL & WELFARE	ANIMAL CONT	ADMIN CODE 10.117-87	PARKING TAX	X		100,960	172,120	02-0
02-411	PUBLIC ARTS FUND	ART COMM	ADMIN CODE 10.117-1	DONATIONS	X		620	1,247,390	02-4
02-412	STREET ARTIST FUND	ART COMM	CHARTER - APPENDIX F	FEES	X		(11,293)	31,353	02-4
02-413	MARKET ST. MAINTENANCE	ART COMM	ADMIN CODE 10.117-93	TRANSIT AD REVENUE	X		71,997	131,721	02-4
02-415	YOUTH ARTS FUND	ART COMM	ADMIN CODE 10.117-95	TRANSIT AD REVENUE	X		39,549	165,689	02-4
02-006	CABLE TV ACCESS	BD SUPES	ADMIN CODE 10.117-68	CABLE TV FRANCHISE	X		93,944	128,944	02-0
02-001	HOTEL TAX	CAO	SEC 515 SF MUNI CODE	HOTEL TAX	X		0	1,574,668	02-0
02-008	AGRICULTURE WEIGHTS MEASURES	CAO	STATE CODES	STATE INSPECTION FEES	X		(8,359)	14,021	02-0
02-182	DOWNTOWN PARK FUND	CAO	PLANNING CODE	DEVELOPER FEES	X		998,631	1,267,454	02-1
02-301	YERBA BUENA CENTER	CAO	MUNI CODE SEC 515	HOTEL TAX	X		1,046,312	20,037,877	02-3
02-302	CONVENTION FACILITIES	CAO	MUNI CODE SEC 515	HOTEL TAX	X		0	6,503,923	02-3
02-416	NEIGHBORHOOD BEAUTIFICATION	CAO	CHARTER - APPENDIX S	HOTEL TAX	X		91,013	473,095	02-4
02-485	DOMESTIC VIOLENCE	COSSW	ADMIN CODE 10.117-21	VOLUNTARY BUSINESS TAX	X		26,011	2,576	02-4
02-010	COURTHOUSE FUND	COURTS	GOV. CODE SEC 76000	STATE FEES	X		6,662,886	7,319,091	02-0
02-513	DISPUTE RESOLUTION	COURTS	ADMIN CODE 10.117-63	FILING FEES	X		166,088	224,759	02-5
02-443	CIVIL SERVICE SPECIAL FUND	CSC	ADMIN CODE 10.117-28, 10.192	STATE FINE REVENUES	X		5,845	18,211	02-4
02-178	ALCOHOL REHAB PROGRAM	DPH	ADMIN CODE 10.117-23	FEES	X		14,099	14,099	02-1
02-453	SERVICES FOR OUTSIDE AGENCIES	DPH	ADMIN CODE 10.117-73	STATE DUI FINES	X		133,440	202,176	02-4
02-591	GAS TAX STREET IMPROV. FUND	DPW	S&H CODE sec 2105	GOV CODE SEC 76000 / EMS FUND	X		575,072	5,853,237	02-5
02-592	ROAD FUND	DPW	S&H CODE sec 2105 etc.	STATE GAS TAX/GEN FUND	X		0	1,337,953	02-5
02-593	BUILDING INSPECTION FUND	DPW	ADMIN CODE 10.117-78	STATE GAS TAX/GEN FUND	X		2,620,722	6,947,247	02-5
02-594	STRONG MOTION ADMIN FUND	DPW	BUILDING CODE SEC 304G	PERMIT & INSPECTION FEES	X		39,411	150,421	02-5
02-595	EXCAVATION FUND	DPW	PUBLIC WORKS CODE SEC 358	PERMIT & INSPECTION FEES	X		48,283	211,172	02-5
02-596	SUBDIVISION MAP FUND	DPW	SUBDIVISION CODE SEC 1315	FEES	X		96,371	1,026,661	02-5
02-597	SPECIAL ENGINEERING INSPECTION	DPW	PUBLIC WORKS CODE SEC 640	FEES	X		25,202	319,938	02-5

Transfer Codes:

1 - Could be reprogrammed with Board action. Possible program consequences

2 - Limited ability to reprogram or redirect funds

3 - Use restricted

3A - Use restricted by State Law

3B - Use restricted by Contract

3C - Use restricted. Funds currently support department operations

3D - Use restricted. Funds may only be used for narcotic related purposes.

SPECIAL FUNDS

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL FUNDS

CODE	TITLE	RESPONSIBLE DEPARTMENT	FUND AUTHORITY	PRIMARY SOURCE OF FUNDS	APPROVAL TO		FUND BALANCE 6/30/92	CASH BALANCE 8/2/92	MAY TRANSFER TO GENERAL FUND (SEE NOTE)	FUND CODE
					ANNUAL BUDGET	EXPEND OTHER SUPPL APPN				
02-098	SIDE SEWER INSTALLATIONS	DPW	PUBLIC WORKS CODE SEC 109	FEES		X	410,078	510,344		02-099
02-099	DEFLECTIVE SIDEWALK REPAIRS	DPW	PUBLIC WORKS CODE SEC 203	FEES OR LIENS		X	0-547	223,088	2	02-099
02-100	REPAIR AND DEMOLITION	DPW	BUILDING CODE SEC 203	FEES OR LIENS		X	77,132	452,645	2	02-100
02-101	UNDERGROUND SOURCE MATERIAL	DPW	PUBLIC WORKS CODE SEC 930	FEES		X	1,578	31,213	2	02-101
02-351	UTILITY DEPOSITS - CONSTRUCTION	DPW	AAO SEC 4.11	CONTRACTOR DEPOSITS		X	4,697	193,064	3	02-351
02-501	CODE ENFORCE & REHAB	DPW	PUBLIC WORKS CODE	STATE & FEDERAL FUNDS		X	135,781	538,230	3A	02-445
02-445	SOCIAL SERVICES SPECIAL FUND	DSS	W & I 18965, AD CODE 10.117-34	BIRTH CERT FEES, GIFTS		X	111,545	247,840	3	02-445
02-448	ELECTRICITY CUSTOM WORK	DSS	AAO SEC 4.11	CONTRACTOR DEPOSITS		X	66,101	71,650	3A	02-062
02-062	SPECIAL FUND - DPH	HEALTH	ADMIN CODE 10.117-73	GOV CODE SEC 76000 (EMS FUND)		X	327,577	1,324,551	3A	02-065
02-065	VITAL STATISTICS FUND	HEALTH	ADMIN CODE 10.117-85	BIRTH, DEATH, MARRIAGE FEES		X	28,547	30,078	2	37-510
37-510	LAGUNA HONDA GIFT FUND		ADMIN CODE 10.114	GIFTS, ETC.		X		1,287,911		02-421
02-421	LIBRARY PUBLICATION FUND	LIBRARY	ADMIN CODE 8.21-1	SALE OF LIBRARY PUBLICATIONS		X	2,808	14,257	1	02-422
02-422	SPECIAL COLLECTION FUND	LIBRARY	ADMIN CODE 10.117-13	SALE OF SPECIAL BOOKS		X	152,331	2,691,359	1	02-478
02-478	LIBRARY COMMUNICATION FUND	LIBRARY	ADMIN CODE 8.21-1	SALE OF LIBRARY MATERIALS		X	(10)	1,444	1	02-004
02-004	ECON. DEVELOPMENT REVOLVING FUND	MAYOR	ADMIN CODE 10.117-60	1987-88 BUDGET, LOAN FUNDS		X	2,965,294	782,501	1	02-180
02-180	MOBIL DEVELOPMENT REVOLVING FUND	MAYOR	ADMIN CODE 57.10	50 FEES		X	0	103,894	2	02-181
02-181	AFFORDABLE HOUSING FUND	MOBIL	PLAN CODE, ADMIN CODE 10.117	DEVELOPER FEES, LOANS, ETC.		X	1,617,367	1,648,499	2	31-002
31-002	TRANSIT IMPACT DEVELOPMENT FUND	MUNI	ADMIN CODE 10.117-60	DEVELOPER FEES		X	1,426,697	1,411,469	3	31-504
31-504	TRANSIT IMPACT DEVELOPMENT FUND	MUNI	ADMIN CODE CHAPTER 30	DEVELOPER FEES		X	67,089,401	69,075,906		31-540
31-540	MUNI OPERATORS LOUNGE FACILITY	MUNI	ADMIN CODE 10.191	SALE OF MUNI SCRAP ITEMS		X	33,568	184,999		31-560
31-560	MUNI VIDEO PRODUCTION FUND	MUNI	ADMIN CODE 10.117-44	VENDING MACHINE COMMISSION		X	0	8,577		31-570
31-570	MUNICIPAL RAILWAY GIFT FUND	MUNI	ADMIN CODE 8.29	SALES OF TRAINING MATERIALS		X	3208	23,208		31-575
31-575	MUNI GRAFFITI FUND	MUNI	ADMIN CODE 10.114-2	GIFTS, DONATIONS		X		18,605	3	31-580
31-580	MUNI TRANSIT SHELTER PROGRAM	MUNI	ADMIN CODE 10.114-2	GIFTS, ETC		X		261,886	3B	

Transfer Codes:

1 - Could be reprogrammed with Board action. Possible program consequences

2 - Limited ability to reprogram or redirect funds

3 - Use restricted

3A - Use restricted by State Law

3B - Use restricted by Contract

3C - Use restricted. Funds currently support department operations

3D - Use restricted. Funds may only be used for narrow related purposes.

Item 3 - File 100-92-6

Hearing to consider a review of the City's General Fund expenditures and policy on the use of City-owned employee cars.

1. On August 4, 1992, the Budget Analyst issued a report showing estimated 1991-92 and 1992-93 General Fund expenditures for automotive vehicles and related costs. In 1992-93, total costs are budgeted at \$7,135,423, including \$5,435,713 for emergency vehicles and \$1,699,710 for non-emergency vehicles. These expenditures reflect costs for the acquisition, maintenance, and operation of vehicles, and also included \$348,260 to reimburse City employees for the use of their private vehicles.

2. Section 4.10-1 of the Administrative Code governs the assignment of City vehicles to City employees. It states that the Purchaser, with the approval of the Chief Administrative Officer, may assign a vehicle to a department head for use by the department for authorized purposes.

3. Administrative Code Section 4.11 includes the following provisions concerning the use of City vehicles by City employees:

- City vehicles shall be used "only in the discharge and transaction of municipal business."

- Use of a City vehicle by a City employee must be authorized by the Department head.

- Assignment of a vehicle to a specific employee by the Purchaser must be justified in writing by the head of the employee's Department and approved by the Chief Administrative Officer.

- The use of City vehicles for travel to and from an employee's place of residence is prohibited except in limited circumstances involving work assignments before or after normal working hours. Exceptions are also made for Police, Sheriff, and Emergency Service Department employees who are authorized to use vehicles equipped with emergency equipment, subject to guidelines issued by the Chief of Police, Sheriff, and Director of Emergency Services. These Departments are required to maintain detailed records concerning the use of the emergency-equipped vehicles by departmental employees.

4. Administrative Code Section 4.11 also provides that employees who violate these provisions shall pay a penalty. The penalty is an amount equal to 3 times the City's mileage reimbursement rate, times the number of miles travelled in violation of the statutory provisions.

5. In discussions with the Controller's Office of Internal Audits, the Purchasing Department, and the Treasurer-Tax Collector, the Budget Analyst has been unable to determine that any enforcement mechanism exists to monitor the

Memo to Finance Committee
September 23, 1992

use of City vehicles by City employees, and the amount of any penalties which have been imposed for the unauthorized use of City vehicles.

BOARD OF SUPERVISOR
BUDGET ANALYST

Item 4 - File 205-92-3

1. This is a hearing to consider a "Voluntary Release" program for employees of the City and County of San Francisco as a cost saving item for this year's revised budget.

2. A voluntary release program has been used in the County of Santa Clara for approximately ten years. Known as the Voluntary Reduced Work Hours Program, rules for operation of the Santa Clara program are established in memoranda of understanding with employee bargaining agreements. The purpose of the Program is to reduce work hours and a commensurate amount of pay on a voluntary basis. Key elements of the program are as follows:

- Workers may elect a two and one-half percent (2 1/2%), five percent (5%), ten per cent (10%), or twenty percent (20%) reduction in pay for a commensurate amount of time off for a six (6) month period. Admission to the plan will be at six (6) month intervals - March and September. The parties shall meet and agree upon the beginning date for the Program.
- All persons in the Program will revert to their former status at the end of six (6) months. If a worker transfers, promotes, demotes, terminates, or in any other way vacates or reduces his/her present code (classification), he/she will be removed from the Program for the balance of the six (6) month period.
- Participation in this Program shall be my mutual agreement between the worker and the department/agency head. At no time will approval be given if it results in overtime. Restrictions by Department/Agencies within work units shall be uniformly applied.
- It is understood by the County that due to this Program there may be lower levels of service.
- All workers will be notified in writing regarding the Program specifics and the sign-up options. Such written notice to be mutually agreed upon by the parties.

3. Approximately 500 of Santa Clara County's employees participate in this program (i.e. 3.4% of the total filled positions of approximately 14,800). The program is primarily viewed as an employee benefit, and employees must elect to participate in the program. Managers cannot unilaterally assign reduced work hours in order to reduce spending. Savings due to this program are not included in the Santa Clara County annual budget.

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments:

1. The Mayor's proposed revisions to the 1992-93 budget include assumed savings from work furlough of certain employees in some of the departmental budgets that are to be reduced. The Budget Analyst is reviewing the Mayor's recommended revisions on a department-by-department basis and will issue a report on the recommended budget revisions on September 24, 1992.

2. The Mayor's Employee Relations Division (ERD) is currently meeting and conferring with union representatives on work furlough issues and a proposed Civil Service rule change that would enable department appointing officers to furlough non-essential employees unilaterally in order to achieve required budget savings.

3. At the direction of the Finance Committee, the Budget Analyst is currently reviewing potential savings that would become available from a City-wide application of work furlough on non-essential employees. We will report on this matter in our September 24 report on the Mayor's budget revision recommendations.

4. The extent to which a Voluntary Release program would result in additional budgetary savings would depend on the number of employees who would participate in the program and resulting savings that could be achieved over and above current salary savings and work furlough savings now required in various departmental budgets. We therefore cannot estimate such savings at this time.

Item 5 - File 161-92-4.1

Note: This item was continued at the September 9, 1992 Finance Committee meeting.

Department: San Francisco Redevelopment Agency (SFRA)

Item: Resubmission of the SFRA's Fiscal Year 1992-93 budget to the Board of Supervisors by September 1, 1992 for reconsideration in light of the fiscal impacts to the SFRA and to the City's General Fund that have resulted from the final adoption of the Fiscal Year 1992-93 budget of the State of California.

Description: During its review of the Redevelopment Agency's FY 1992-93 budget in August of 1992, the Board of Supervisors amended the Agency's Budget to require the Agency to resubmit its budget to the Board of Supervisors by September 1, 1992. The Board of Supervisors wanted to reconsider the Agency's budget when the impact on the City from the State budget reductions were known. This item was continued by the Finance Committee because the State budget had not been adopted.

According to the SFRA, State legislation recently passed and signed by the Governor requires Redevelopment Agencies to pass through to the San Francisco Unified School District and the San Francisco Community College District approximately 16 percent of their 1990-91 tax increment revenues. However, the SFRA reports that there are currently varying interpretations as to whether this liability includes property taxes from Redevelopment Project Areas totalling \$1,255,151 already paid to the Districts in FY 1990-91. According to the SFRA, if the liability does not include this amount, the SFRA will have to pay the San Francisco Unified School District and the San Francisco Community College District a total of \$3,168,271. If this amount is reduced by \$1,255,151 for the amounts already provided to these Districts, the remaining liability would be \$1,913,120. According to Mr. Bob Gamble of the SFRA, the amount of either \$3,168,271 or \$1,913,120 represents a one-time obligation that the SFRA is required to pay in May of 1993. According to Mr. Gamble, a list of the Redevelopment Agencies' liabilities will be provided to the SFRA by the State's Director of Finance on October 1, 1992.

Mr. Gamble reports that the SFRA does not at this time know which budget reductions it will take to meet its obligation. As noted above, the SFRA has until May of 1993 to decide which spending reductions to make. However, Mr. Gamble advises

that the SFRA will be making the necessary expenditure reductions sometime during October of 1992.

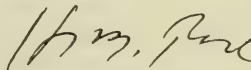
In addition to the State's cuts, the Mayor's Office is requesting that the SFRA postpone half of its debt service from 1992-93 tax increment bonds or \$2.5 million until FY 1993-94. Approximately 87 percent of tax increment revenues used to repay tax increment bonds is General Fund monies. Thus, postponing half of its debt service would result in approximately \$2.2 million in General Fund savings during FY 1992-93 and increase General Fund expenditures by approximately \$2.2 million in FY 1993-94.

Comments:

1. The proposed postponement of debt service payment would act as a no interest loan to the City to be repaid during FY 1993-94.

2. Because the proposed legislation is a reconsideration of the SFRA's 1992-93 budget and the Finance Committee is considering the Mayor's amendments to the other City departments' budgets on September 30 and October 1, 1992, the Budget Analyst recommends continuing the proposed legislation until that time.

Recommendation: Continue the proposed legislation one week.


Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

S90.25
#2
9/29/92

PLEASE NOTE THAT MEETING
WILL BEGIN AT 10:00 A.M.

CALENDAR - *Actions Taken*

DOCUMENTS DEPT.

RECESSED BUDGET MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

SEP 29 1992

SAN FRANCISCO
PUBLIC LIBRARY

SATURDAY, SEPTEMBER 26, 1992 - 10:00 A.M.

LEGISLATIVE CHAMBER
2ND FLOOR, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

ABSENT: SUPERVISOR MIGDEN - Items 3 - 5

SUPERVISOR HALLINAN - Part of Item 1 and Item 2

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

1. File 101-92-7. Hearing to consider amendments to the 1992-93 Annual Appropriation Ordinance. (Supervisor Gonzalez)
(Recessed from 9/23/92)

(Changes which will reflect the City's budget as a result
of the State budget cuts.)

Departmental Budget Hearings

Public Health

- 87 Community Mental Health Services
- 85 Laguna Honda Hospital
- 83 Public Health Central Office
- 86 San Francisco General Hospital

Public Utilities Commission

- 35 Municipal Railway
- 40 Public Utilities Commission (PUC)

(PUBLIC TESTIMONY WILL NOT BE LIMITED TO THOSE
DEPARTMENTS LISTED ABOVE.)

ACTION: Departmental hearings held. Recessed to September 30, 1992, at 3:00 p.m.

2. File 291-92-1. Hearing to consider all special funds currently administered by the Controller. (Supervisor Migden)
(Recessed from 9/23/92)

ACTION: Recessed to September 30, 1992, at 3:00 p.m.

3. File 100-92-6. Hearing to consider a review of the City's General Fund expenditures and policy on the use of city-owned employee cars. (Supervisor Hallinan)
(Recessed from 9/23/92)

ACTION: Recessed to September 30, 1992, at 3:00 p.m.

File 100-92-6.1. Resolution (as presented by Supervisor Hallinan) prepared in Committee, entitled: "[Approval for Purchase of City Vehicles] Urging the Mayor to include in budget instructions to the various departments information regarding Board policy on procurement of vehicles and informing City departments that the Board will disapprove budget requests for authorization of procurements of vehicles for City departments absent a sufficient showing of need for said vehicle." Recessed to September 30, 1992, at 3:00 p.m.

File 97-92-57. Ordinance (as presented by Supervisor Hallinan) prepared in Committee, entitled: "[Approval for Purchasing City Vehicles] Amending Chapter 21 of the Administrative Code by adding Sections 21.18-4 and 21.18-5 to guide and limit the Purchaser's purchase, lease and other procurement of vehicles for use by officials and employees of departments of the City and County, requiring the procurement of the most economical vehicle available for that purpose and exempting mass transit vehicles." Recessed to September 30, 1992, at 3:00 p.m.

File 97-92-57.1. DRAFT motion (as presented by Supervisor Hallinan) prepared in Committee, entitled: "Requiring return of cars owned or leased in violation of the Administrative Code and directing the Clerk of the Board to instruct the Controller to declare an offset against employees found to be in violation of Section 4.11b of the Administrative Code." Recessed to September 30, 1992, at 3:00 p.m. (DRAFT legislation to be sent to City Attorney for any necessary revisions.)

4. File 205-92-3. Hearing to consider a "Voluntary Release" program for employees of the City and County of San Francisco as a cost saving item for this year's revised budget. (Supervisor Hallinan)
(Recessed from 9/23/92)

ACTION: Recessed to September 30, 1992, at 3:00 p.m.

5. File 161-92-4.1. [Redevelopment Agency Budget and Bonds] Resubmission of the Redevelopment Agency Budget as approved as amended, as a condition of approval, to present the Agency's 1992-93 Fiscal Year Budget to the Board of Supervisors, by September 1, 1992 for reconsideration in light of the fiscal impact to the Agency and City and County that may result from the final adoption of Fiscal Year 1992-93 Budget for the State of California; companion measure to File 161-92-4.
(Redevelopment Agency)
(Recessed from 9/23/92)

ACTION: Recessed to September 30, 1992, at 3:00 p.m.

CITY AND COUNTY



OF SAN FRANCISCO

DOCUMENTS DEPT.

OCT 01 1992

BOARD OF SUPERVISORS

BUDGET ANALYST

SAN FRANCISCO
PUBLIC LIBRARY

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

September 30, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendations*
SUBJECT: Illegal Sale of Lost or Stolen MUNI Transfers

The subject of the illegal sale of lost or stolen MUNI transfers was discussed at the Finance Committee budget review meeting of Saturday, September 26, 1992. The latest report on this matter was issued by the General Manager of the Public Utilities Commission on 11/15/91. A copy of that report is attached to this memo.

Currently, Ms. Cathy Gilbert of the MUNI reports the following with respect to the illegal use of transfers:

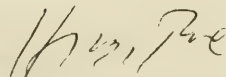
Revenue loss from actual reports of stolen transfers is estimated at \$275,000 annually, not millions of dollars as has been previously estimated.

Internal control of transfers has been dramatically improved.

MUNI recommends against eliminating the use of transfers due to the grid route structure the MUNI system uses, which often requires that transfers be used. Eliminating transfers would effectively result in a

Memo to Finance Committee
September 30, 1992

significant fare increase for some riders and not for others, which would ultimately generate requests to restructure the entire system so that transfers would not be required or would be greatly reduced.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST



SAN FRANCISCO MUNICIPAL RAILWAY 949 PRESIDIO AVENUE, SAN FRANCISCO, CALIF. 94115 415-673-6864



November 15, 1991

The Honorable Jim Gonzalez
Board of Supervisors
City Hall, Room 235
San Francisco, CA 94102

Through: Thomas J. Elzey
Thomas J. Elzey
General Manager, PUC

Dear Supervisor Gonzalez:

I am writing in response to your request for information regarding Muni's policies on transfers and our efforts to discourage the illegal sale of lost or stolen transfers. I have attached a September 1990 report on the subject that was presented to the Board of Supervisors City Services Committee (Attachment A). That report was the product of an interdepartmental task force convened to review Muni's policies; the task force included staff from Muni, PUC Finance, the police department (SFPD), the district attorney's office (SFDA), the Mayor's office, and the Budget Analyst's office.

We have recently reviewed the 1990 report and the recommendations generated by that investigation, and have taken additional steps to improve our control over the transfers. I am confident that we now better understand the magnitude of the revenue loss related to the illegal sale of transfers, and that the loss is considerably lower than previous estimates. I am also confident that we are doing everything possible to minimize lost or stolen transfers.

Below are the major issues and recommendations raised by the September 1990 task force report, and improvements that have been made since then.

Should Muni Eliminate Transfers?

The task force addressed the fundamental issue regarding transfers: should they be eliminated, so that abuse is no longer an issue? While the members agreed that Muni should continue to encourage use of Fast Passes to obviate the need for transfers, they did not suggest that Muni do away with transfers. Within Muni, we have reached the same conclusion.

Our current route network, which was restructured in the late 1970's requires a significant amount of transferring. In many cases these transfer trips are very short distances between crosstown/feeder and radial lines. The route changes improved crosstown connections and resulted in a ridership increase of nearly 20% on affected lines. If transfers were eliminated, the passengers who need to make more than one trip to get to the final destination would be charged more; since those are the very people who could argue that they have poorer service (requiring that they transfer), they could justifiably claim that they are being made to suffer twice. As a result, passengers would demand that Muni provide more direct services in place of transfer trips. We have decided that the amount of fraud related to transfers does not merit changing our current route structure.

SEP 29 '92 16:41 S.F. MUNICIPAL RAILWAY
ltr. to Supervisor Gonzales
page 2

Extent of Losses

The task force reviewed the methodology for one estimate of revenue lost from illegal transfers, which pegged the loss at as much as \$1 million annually. While concluding that the estimate was rough, the task force did not develop an alternate figure, and recommended that the survey undertaken for the Congestion Management Plan include questions designed to evaluate transfer use.

In the meantime, we have concluded that the revenue loss is more accurately estimated at about \$65,280. Our figure was generated by tabulating police reports on stolen transfers with our own logs of lost or stolen transfers reported by Muni operators. We tabulated each transfer that was confiscated by the SFPD in September 1991 and then reported to Central Control as having been lost or stolen. In turn, we concluded that the loss associated with all of the transfers reported as missing by our operators in September, totalled 67 incidents x 400 ea. (\$0.85 x 26,800 reported lost transfers x 12 months). On an annual basis, that generates a loss of \$273,360.

This estimate of losses, which is substantially lower than the earlier \$1 million estimate, is supported by observations made by Muni managers. Because Muni's practices make it relatively easy to identify the driver who was issued any given transfer (see more below), and because drivers may be disciplined if a lost/stolen transfer is found and was not reported to Central Control, most drivers are extremely careful to report any missing transfers immediately.

Muni Transfer Path

Muni's control of transfers is extremely tight, as exhibited in Attachment B, which details the procedure for handling transfers, from the time they are delivered from the Revenue unit until they are returned to that unit. For example, the transfers are numbered consecutively in a book, with 100 transfers per book. The same transfer numbers are issued to a given run each day, making it extremely easy to track the transfers that go out on the initial daily runs.

We have reexamined the entire process, and added measures to improve one of the weak points in the system. We are now deploying mid-day stand-by operators to collect transfers coming back from the late night runs and early A.M. peak period runs. We have also issued a new notice to drivers, Attachment C, reminding them that transfer books not currently in use are always to be stored in the locked box on the vehicle, and book in use is to be placed in locked box as well whenever the driver has to leave the vehicle. To ensure a higher degree of on-board transfer security, MUNI will undertake a re-keying of all on-board locked transfer boxes and reissue to all appropriate operating personnel new keys. Each operator's identification number will be stamped on the locked box key and issued only to that operator.

Finally, we have decreased the number of transfer books in circulation each day, to more closely approximate the number of transfers that are requested by riders, and reduce the risk of misplacing them.

ltr. to Supervisor Gonzales
page 3

SFPD Activity to Discourage Illegal Sales of Transfers

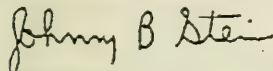
The SFPD regularly monitors some of the areas where lost or stolen transfers are sold, including the area around 16th and Mission Streets. At least 134 people have been arrested or cited since January 1991, and several people have been arrested more than once. The police reports are given to Muni managers, who check to see if the transfers found by the police were reported missing by the Muni operator. If not, Muni uses the serial number on the transfer to locate the driver who was given the transfer. The driver is then interviewed, and may be disciplined when warranted. While neither the police nor Muni expect to be able to completely eliminate transfer abuse, this program of enforcement certainly discourages some potential fraud.

Future Plans

As indicated above, Muni does not recommend eliminating transfers. We do, however, plan to continually review our internal system of checks and take additional measures whenever possible to tighten security from Muni's side. We will also continue to work with the SFPD and SFDA to enlist their support in decreasing illegal sales of transfers.

I would be happy to discuss any further questions or suggestions that you may have.

Sincerely,



Johnny Stein, General Manager
Municipal Railway

Att: A, B.

F
90.25
#7
28/92
CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

September 28, 1992

DOCUMENTS DEPT.

SEP 30 1992

SAN FRANCISCO
PUBLIC LIBRARY

TO: Finance Committee

FROM: Budget Analyst *Recommendations*

SUBJECT: San Francisco Zoological Society Management of the Zoo

The Recreation and Park Department, in response to a request by the Mayor to reduce its General Fund support has proposed to reduce the Zoo budget by \$190,000 as a result of savings from the transfer of the Zoo's management to the San Francisco Zoological Society.

Attachment 1 to this memo is the Executive Summary to the San Francisco Zoological Society's proposal to manage the Zoo and Attachment 2 provides information as to the status of labor negotiations of the proposed transfer of the Zoo's management.

The Department reported that 8 or 9 employees would have to be laid off at the Zoo to achieve the same \$190,000 in savings. This estimate has subsequently been revised to 6 employees (see Attachment 3).

Harvey M. Rose
Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy

Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani

Barbara Kolesar
Ted Lakey

SAN FRANCISCO ZOOLOGICAL GARDENS
CONCEPTS OF EXPANDED PARTNERSHIP

San Francisco Zoological Society/ Recreation and Park Commission

EXECUTIVE SUMMARY

September 1, 1992

THE NEED

The Zoo is old and needs to be properly maintained and rebuilt. General Fund expenditures were reduced by \$845,000 this year, reducing the quality of animal care and level of public services. The Zoo needs more funding, not less, and the City is simply not able to meet these needs given its priorities.

BACKGROUND

In February the San Francisco Zoological Society was asked to consider expanding its 28-year-old lease agreement with the City to include management of the entire Zoo, to provide additional private funding to maintain and improve the Zoo, with fewer taxpayer dollars. The Society has 27,000 members, has raised \$11.1 million for capital improvements (1980-90), provides 44% of the Zoo's \$12 million operating budget and employs 65% of the Zoo's 265 employees, maintaining union representation. The Society operates the Children's Zoo, Insect Zoo, Avian Conservation Center, education, visitor services, membership and development. Over 500 volunteers participate in Zoo activities.

CONCEPTS OF PARTNERSHIP

Most of the major zoos in the country are managed by non-profit support organizations. San Francisco would follow this model and shift those Zoo operations currently managed by the City to the Society as early as January 1993, developing a 5-year renewable lease agreement.

- * City retains ownership, Zoo remains under the Park Commission
- * Zoo Society given responsibility for operations
- * All current employees may:
 - remain Civil Service employees
 - elect to become Zoo Society employees
 - retain union representation
- * New positions become Society positions
- * Responsibilities to public ensure widest possible access, lowest possible cost, free days, free school groups, public participation in development of Zoo policy
- * Commission retains approval of admission fees, exhibit development, land use and review of annual budgets

BENEFITS

The Expanded Partnership provides many benefits that simply cannot occur under City management:

- * taking care of animal needs without the lengthy delays imposed by the City process and lack of funds
- * providing animal care and maintenance staff to properly manage the Zoo, improve cleanliness and visitor services
- * decreasing City General Fund tax support, with substantial savings to the City of up to \$6 million that could be allocated to other needs
- * increasing private contributions from the entire bay area (75% of Zoo visitors come from outside San Francisco)
- * developing the highest quality animal exhibits, education, visitor services and conservation programs, raising the Zoo to first-rank nationally as an important civic asset and attraction

FUNDING

The City would provide a General Fund allocation of \$4 million per year for the first 5-year term of the agreement, saving approximately \$6 million. The subsidy would be provided as a combination of Civil Service salaries, Recreation and Park Dept. services and cash payment for services. The Zoological Society would raise a \$10 million Founder's Fund from private sources to pay for transitional costs, new exhibit construction and endowment. The Society would assume operating costs for Zoo improvements and expansion and continue its capital campaign.

SEQUENCE OF APPROVALS

The Expanded Partnership Concepts have been approved by the Board of Directors of the San Francisco Zoological Society and the Recreation and Park Commission. The Board of Supervisors is being asked to support these concepts to indicate the support of the City for the partnership.

After approval by the Board of Supervisors, the Recreation and Park Commission would develop a detailed lease agreement with the Zoological Society. The Zoological Society would secure commitments to the Founder's Fund. The final lease agreement will require approval of the Society, the Commission, and the Board of Supervisors.

URGENCY

The San Francisco Zoo has fallen short of its potential for many years. Its problems have been documented many times. The alternatives have been carefully studied. Even maintaining the status quo will result in an unacceptable decline in animal care. Without a long-term solution, we are endangering accreditation and licensing of the San Francisco Zoological Gardens. This public/private partnership gives the Zoo - and the community - the greatest opportunity for success in fulfilling our mission in education, recreation and conservation of wildlife.

PROPOSED RESOLUTION OF BOARD OF SUPERVISORS

The General Manager of the Recreation and Park Department will shortly formally transmit a proposed resolution and concepts for a shift in management of the Zoo, requesting support and approval of the Board of Supervisors.

The Concepts of Expanded Partnership are provided in this document for reference and study. They have been approved by the Recreation and Park Commission. The underlined amendments are the result of discussions with union representatives and represent the understandings reached on labor issues affecting Civil Service employees.

This item will come before the Board of Supervisors in the near future.

LABOR AND THE EXPANDED PARTNERSHIP

There are nine labor unions represented at the San Francisco Zoological Gardens. Teamsters Local 856 represents 49% of the union employees, Local 2 Hotel & Restaurant Employees represents 35% and SEIU represents 7%. The Teamsters Local 856 has agreements with both the San Francisco Zoological Society (37 employees) and the Rec/Park animal keepers (38 employees) representing the largest group of public and private sector employees combined. The Expanded Partnership agreement commits to three primary labor principles: retention of Civil Service status, union representation and continued employment.

Many meetings have been held with labor leaders and employees in discussions of the Expanded Partnership concepts. The following labor issues have been raised and addressed with specific additional language and two amendments:

- * rights of Civil Service non-animal care employees to elect to become Society employees and remain at the Zoo, or to remain with the City and be re-assigned within the Recreation and Park Department as vacancies occur (I.A.6)
- * rights of Civil Service animal care employees, lacking transfer opportunities, may elect to become Society employees, or to remain Civil Service employees assigned to the Zoo (I.A.7)
- * retention of Civil Service status in subsequent agreements (I.A.7)
- * in the event of termination of lease agreement, hiring and re-hiring rights of Civil Service and non-Civil Service animal keepers (I.A.11)

We have further agreed to offer current employees the same jobs at the same pay, should they elect to become Society employees.

We are committed to union representation and good fair negotiations on future agreement; existing labor agreements shall remain in effect until expiration.

The Zoological Society and Teamster Local 856 have in effect a letter stating "if additional employees are added to the Local 856 bargaining unit as a result of the consolidation/partnership between the San Francisco Zoological Society and the San Francisco Zoo, your Union and the Society will negotiate to determine what Health and Welfare and Pension benefits will be applied to these new employees." The Labor Agreement expires 1/20/95.

The Zoological Society has an excellent record in labor relations with less than 30 grievances over 24 years, representing agreements with two unions and hundreds of employees, and no arbitration hearings.

SAN FRANCISCO ZOOLOGICAL GARDENS
Union Representation at July 1 1992

Teamsters Local 856		
Recreation and Park Department - Animal Keepers	38	
San Francisco Zoological Society - Animal Keepers,		
Rides & Admissions, Maintenance, Retail	37	
Teamsters Local 350, R/P Senior Keepers	3	
Teamsters Local 216, R/P Truck Driver	1	
Total Teamsters		79
Local 2 Hotel & Restaurant Employees		
Zoological Society		
Total Local 2		56
SEIU Local 790		
R/P Dept. Head & Asst. Head Keepers	2	
R/P Dept. Custodians	5	
R/P Dept. Vendors	4	
Total SEIU		11
Laborers Local 261		
R/P Dept. Gardners		
Total Local 261		6
Local 250		
R/P Dept. Hospital Workers	4	
R/P/Dept. Zoologists	2	
Total Local 250		6
Local 38 Plumbers		1
Local 377 Ironworkers		1
Total Union Workers,		
San Francisco Zoological Gardens		161

EXPANDED PARTNERSHIP EMPLOYEE MEETINGS

14 April 1992	1:00 PM	All employees
29 April 1992	10:30AM	Senior staff.
30 April 1992	1:00 PM	All employees.
6 May 1992	5:00 PM	Jt. Zoo Committee - public and staff.
19 May 1992	5:00 PM	Special Jt. Zoo Committee - public and staff.
2 June 1992	10:30AM	Senior staff.
3 June 1992	1:00 PM	All employees
3 June 1992	5:00 PM	Jt. Zoo Committee - public and staff.
15 June 1992	5:00 PM	Special Jt. Zoo Commission - public and staff.
18 June 1992	12:00PM	Staff of Children's Zoo, ARC, Insect Zoo, Maintenance
1 July 1992	5:00 PM	Jt. Zoo Commission - public and staff comment on resolution
6 July 1992	8:30 AM	Administration and Public Service staff.
15 July 1992	5:00 PM	City and Society Teamster employees with their union representatives.
19 July 1992	8:30 AM	Visitor Services staff
19 August 1992	2:00 PM	Section Meeting, Keeper/AHT Staff
20 August 1992	1:00 PM	Section Meeting, Keeper Staff
24 August 1992	1:00 PM	Laborers (Gardeners) with their Union Representatives
26 August 1992	1:00 PM	SEIU (Custodians) with their Union Representatives

\$380,000 Reduction (\$190,000 6 months)

	<u>Salary</u>	<u>Savings</u>
1. Delete 1 Head Keeper	\$ 52,565	\$ 52,565
2. Delete 1 Asst. Head Keeper	\$ 47,685	\$ 47,685
3. Delete 1 Senior Keeper	\$ 43,274	\$ 43,274
4. Delete 1 Curator	\$ 63,266	\$ 63,266
5. Delete 1 Vet Tech	\$ 53,601	\$ 53,601
6. Delete 1 Keeper	\$ 39,307	<u>\$ 39,307</u>
		\$ 299,698
	Fringe 25%	<u>\$ 80,302</u>
		\$ 380,000

Deleteing the Head Keeper, Assistant Head Keeper, and Curator would severely cripple the Zoo's ability to comply with safety programs including Cal-OSHA, Illness Injury Prevention Program and Hazardous Material Storage Procedures. Collection care and management would also be crippled as no other staff could assume the duties currently being performed by these personnel. As a result, compliance with USDA and other regulatory agency regulations would decrease dramatiially and citations would increase dramatically. }

Deleting the Keeper position would require eliminating the exhibits or animals listed below or comparable reductions in the collection.

Defunding the Veterinary Technician would reduce the effectiveness of the Animal Health Program. Veterinary health was previously the most criticized aspect of the Zoo's operation. Recent improvements which included the part time veterinarian have resulted in excellent and highly praised medical care program which would be severely hampered by this reduction.

1. Train and turn over care and maintenance of San Bruno bison herd to San Bruno personnel. Eliminate red kangaroos, wallaroos, wallabies and grey kangaroos. This would eliminate 1 keeper position. Surplus or find alternate maintenance and care for Golden Gate Park Bison herd.

Total Savings	\$380,000
---------------	-----------

SAN FRANCISCO ZOOLOGICAL GARDENS

25
12
CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

DOCUMENTS DEPT.

SEP 30 1992

SAN FRANCISCO
PUBLIC LIBRARY

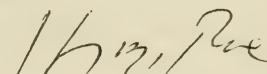
September 29, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendation*
SUBJECT: Budget Analyst's Recommended Reductions of the Mayor's Fiscal Year 1992-93 Budget which were not taken by the Finance Committee.

The Budget Analyst made a total of \$10,369,671 recommended reductions including General Fund reductions totalling \$6,457,249 in the Mayor's fiscal year 1992-93 budget. The Finance Committee accepted \$5,501,295 of these recommended General Fund reductions and did not accept \$955,954 of the Budget Analyst's recommendations.

At the request of the Finance Committee, the Budget Analyst has reviewed the recommendations that were not accepted in light of the City's current budget deficit. The attached schedule details the original recommendations (prior savings) which were not previously accepted by the Committee in the amount of \$955,954. Also shown in the schedule are the current recommendations of the Budget Analyst totalling \$888,459 including \$704,558 of the Budget Analyst's original recommendations and \$183,901 pertaining to a Municipal Railway clerical error recorded after the original recommendations had been completed.

The revised recommendations take into account the budgetary changes already proposed by the Mayor which causes us to withdraw some of our prior recommendations.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Controller
Mayor
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

Page Object

41 Public Library

			Pos/ Equip Number	Approved Number From	To	Approved Amount From	To	Prior Savings	Current Recommended Savings
1026	001	Librarian Technical Assistant	3618	13	12	\$551,000	\$512,219	\$38,781	0
		Although 4 positions were transferred to the Children's baseline budget, two new positions were requested. The Committee recommended granting one position for periodicals.							
1016	060	Mandatory Fringe Benefits				2,662,125	2,652,430	9,695	0
		Corresponds to reduction in salaries.							
1016	113	Training				31,335	16,335	15,000	15,000
		Delete \$15,000 increase for additional training related to the proposed staff reorganization.							
Total Recommended Reductions								\$63,476	15,000

75 Electricity

479	100	Professional Services				\$31,000	\$0	\$31,000	31,000
		Would delete remainder of funds for contractual services for billing functions that could be performed more economically in-house. The approved budget was based on a reduction of the requested amount from \$55,000 to \$31,000.							
Total Recommended Reductions								\$31,000	31,000

Page Object		Pos/ Equip Number	Approved Number From	To	Approved Amount From	To	Prior Savings	Current Recommended Savings
29 City Planning								
1334	100 Professional Services				\$76,000	\$66,000	\$10,000	\$10,000
	Reduce \$10,000 match for a \$10,000 grant from the S.F. Foundation to improve intra-Departmental communications and morale, and to identify areas of improvement in permit processing; recommendation based in part on "retreat" element of the proposal which is not considered essential.							
Total Recommended Reductions							<u>\$10,000</u>	<u>10,000</u>
31 Fire Dept/Emergency Services								
114	001 Permanent Salaries - Misc.				3,232,517	3,230,878	*	
	* The recommended reduction in Permanent Salaries - Misc. is the total of the specific individual position recommendations.							
128	001 Secretary II	1446	2	3	85,694	115,965	(30,271)	0
128	001 Executive Secretary I	1450	4	3	142,369	110,459	31,910	0
	The proposed reduction was based on lack of Civil Service approval for an upward reclassification at the time of Finance Committee hearings, which was subsequently granted. The approved budget includes 5 payperiods in the original classifications. Civil Service has subsequently approved the requested reclassification.							
114	060 Mandatory Fringe Benefits				46,441,755	46,441,755	0	0
	Fringe benefits were not increased in the final recommendations to be consistent with the upward reclassification.							

<u>Page Object</u>	Pos/ Equip Number	Approved Number		Approved Amount From	To	Prior Savings	Current Recommended	
		From	To				Savings	
114 109 Other Contractual Services				\$208,313	\$193,313	\$15,000		0
<p>Reduce to current level of expenditure for discretionary maintenance activities plus new required maintenance activities for 1992-93.</p> <p>Original request was \$252,313, which the Finance Committee reduced by \$44,000 to \$208,313. The Budget Analyst's original recommended reduction was \$59,000. This further recommendation is no longer appropriate.</p>								
114 012 Holiday Pay				4,525,886	4,269,448	256,438		\$181,678
<p>The recommended reduction concerned fire inspections and training on holidays. A reduction in holiday pay was recommended for uniform personnel not covered by the Firefighter's MOU requirement to pay "Staff Duty Assignment Pay".</p> <p>Of the recommended reduction of \$256,438, \$181,678 was reserved by the Finance Committee pending Meet and Confer with the Firefighers Union on this issue. The remainder of \$74,760 was included in the approved budget for Fire Support Services.</p>								
Total Recommended Reductions						<u>\$273,077</u>		<u>181,678</u>

Page Object		Pos/ Equip Number	Approved Number From	To	Approved Amount From	To	Prior Savings	Current Recommended Savings
38 Police								
145	109 Other Contractual Services				\$613,675	\$528,375	\$85,300	\$85,300
	<p>The requested budget amount is an increase of 37% over the amount budgeted in 1991-92. Due to fiscal constraints, reduce request for contractual services that have not been funded in past years including gunshot residue analysis, removal of lead contamination from gun room, and DNA type testing by outside laboratories.</p> <p>The recommended reduction was placed on reserve for further review of the proposed new expenditures.</p>							
Total Recommended Reductions							<u>\$85,300</u>	<u>85,300</u>
45 Social Services								
692	109 Other Contractual Services				3,773,281	3,758,799	14,482	9,855
	<p>Reduce Cost of Living Adjustment for contractors from 4.5 percent to 4.2 percent to reflect actual rate of inflation for remaining 8 months of this fiscal year.</p>							
Total Recommended Reductions							<u>\$14,482</u>	<u>9,855</u>

		Pos/ Equip Number	Approved Number		Approved Amount		Prior Savings	Current Recommended Savings	
Page	Object	Number	From	To	From	To			
83 Public Health									
830	001	Health Educator	2822	13	12	\$552,443	\$509,988	\$42,455	\$28,303
		The proposed new Health Educator would train contractors and educate families about lead abatement techniques. The Budget Analyst believes that the existing 12 Health Educators together with the new 6139 Senior Industrial Hygienist position will be able to adequately train contractors and educate families about lead abatement techniques. The Budget Analyst is recommending the approval of the one new 6139 Senior Industrial Hygienist position. This position would assist with the City's new lead prevention program and inspect for the incidence of toxic levels of lead. The Department reports that if the requested one new Health Educator position is not approved (as recommended by the Budget Analyst above), one of the existing 12 Health Educators may be reassigned from a Health Center to provide these proposed centralized education services. Reduced to remaining 8 months of the fiscal year.							
728	060	Mandatory Fringe Benefits				7,020,985	7,010,372	10,613	7,075
		Corresponds to reduction in salaries.							

		Pos/ Equip	Approved Number	To	Approved Amount From	To	Prior Savings	Current Recommended Savings
Page	Object	Number	From					
728 101	Medical Services Contracts				\$10,447,156	\$10,417,156	\$30,000	\$20,000
	<p>This would adjust the COLA for Medical Service Contracts to reflect the actual cost of living change of 4.2 percent rather than the 4.5 percent used by the Department to budget for these contracts. The Department used the 4.5 percent as the rate of change in cost-of-living at the time the budget was prepared last year. Currently, the rate of change in cost-of-living for the Bay Area is 4.2 percent and 3.0 percent for the nation as a whole. Reduced to remaining 8 months of the fiscal year.</p>							
728 109	Other Contractual Services				341,084	314,146	26,938	26,938
	<p>The Budget Analyst recommended a cut of \$53,876 of which \$26,938 was taken.</p> <p>The Department originally requested an increase of more than 40 percent. The Budget Analyst's original recommendation provided for inflation, a mobile x-ray unit for Tuberculosis screening, and funds to relocate the Bureau of Environmental Health.</p>							

		Pos/ Equip	Approved Number		Approved Amount		Prior	Current		
Page Object		Number	From	To	From	To	Savings	Recommended Savings		
729	130	Materials and Supplies			\$1,626,560	\$1,526,560	\$100,000	\$100,000		
		DPH requested an increase for this item of over 35 percent. Reduce to 1991-92 actual expenditure levels adjusted for inflation and allowing for a 15 percent increase for pharmaceuticals, \$8,900 for Hepatitis vaccine and \$5,600 for additional medical records. The recommended reduction also includes \$31,000 for Tuberculosis supplies that are funded by grant funds.								
		The Finance Committee cut \$35,927, which is \$100,000 less than the \$135,927 reduction originally recommended by the Budget Analyst.								
730	350	Reproduction			131,841	100,841	31,000	31,000		
		Reduce to 1991-92 budget level adjusted for inflation.								
Total Recommended Reductions							\$241,006	\$213,316		
86 San Francisco General Hospital										
885	001	Health Care Analyst			2119	5 4	\$248,832	\$205,141	\$43,691	\$29,128
		The Hospital received 18 positions in 1989-90 for improved compliance with JCAHO accreditation requirements including 2 Health Care Analysts, one of which the Hospital itself deleted in 1991-92. The Hospital has not adequately justified the need for this additional position. The Hospital states that the Budget Analyst's recommendation could adversely impact the chances for receiving accreditation approval.								
873	060	Mandatory Fringe Benefits			24,694,329	24,683,407	10,922	7,281		
		Corresponds to reduction in salaries.								
Total Recommended Reductions							54,613	36,409		

		Pos/ Equip Number	Approved Number From	To	Approved Amount From	To	Prior Savings	Current Recommended Savings
Page Object								
87 Community Mental Health Services								
904	101	Medical Services Contracts			88,896,126	88,713,126	183,000	122,000
		Reduction is based on applying only a 4.2 percent Cost of Living adjustment to base expenditures of approximately \$6.1 million for Mental Health Contracts. The Budget Analyst notes that the cost of living has increased by only 4.2 percent in the Bay Area and only 3.0 percent in the nation as a Reduced to remaining 8 months of the fiscal year.						
		Total Recommended Reductions					\$183,000	\$122,000
		GRAND TOTAL (BEFORE CLERICAL ERRORS)					\$955,954	\$704,558

Page Object	Pos/ Equip	Approved Number	Approved Amount			Prior Savings	Current Recommended Savings
	Number	From	To	From	To		

The following recommendations were not included in the Budget Analysts original recommendations because these new programs were added by "Clerical Error" after the Mayor's Budget had been analysed.

35 Municipal Railway

Clean On Time Vehicle Program

9102 Transit Car Cleaner	34	0	\$790,860	\$790,860		0
9131 Station Agent, Municipal Railway	4	0	126,440	126,440		0
9139 Transit Supervisor	15	0	611,817	611,817		0
9993 Salary Savings			(828,157)	(828,157)		0
Passenger Incentive Program			100,000	100,000		0
Fringe Benefits			382,941	199,040		\$183,901

The Municipal Railway requested and the Mayor approved the inclusion of these two new programs in the fiscal year 1992-93 budget by clerical error. The Board of Supervisors approved the programs at the reduced amount of \$1,000,000 which is \$183,901 less than the \$1,183,901 recorded by the Controller. PUC is required to find \$1,000,000 in non General Fund monies to continue these programs after February, 1993. According to the Municipal Railway General Manager, as of September 14, 1992, all of the 53 new employees have been hired for the Clean On Time Vehicle Program, and the Passenger Incentive Program (\$100,000) which is expected to start about mid-October. Reduce fringe benefits of the Clean On Time Program which were overbudgeted by \$183,901.

Total - Clean On Time Vehicle			1,183,901	1,000,000		\$183,901
GRAND TOTAL INCLUDING CLERICAL ERRORS						\$955,954
						\$888,459

SF
590.25
#1
9/30/92

PLEASE NOTE THAT MEETING
WILL BEGIN AT 3:00 P.M.

CALENDAR

SPECIAL BUDGET MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT.
SEP 28 1992
SAN FRANCISCO
PUBLIC LIBRARY

WEDNESDAY, SEPTEMBER 30, 1992 - 3:00 P.M.

LEGISLATIVE CHAMBER
2ND FLOOR, CITY HALL

MEMBERS: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

1. File 101-92-7. Hearing to consider amendments to the 1992-93 Annual Appropriation Ordinance. (Supervisor Gonzalez)

(Changes which will reflect the City's budget as a result
of the State budget cuts.)

Budget Analyst Recommendations - Court Budgets

- 11 Municipal Court
- 10 Superior Court

Departmental Budget Hearings

- 60 Academy of Sciences
- 13 Adult Probation
- 76 Animal Care and Control
- 28 Art Commission
- 2 Assessor
- 1 Board of Supervisors
- 70 Chief Administrative Officer
- 3 City Attorney
- 29 City Planning
- 30 Civil Service
- 9 Controller
- 44 District Attorney
- 75 Electricity
- 61 Fine Arts Museums
- 31 Fire
- 34 Human Rights Commission
- 25 Mayor

74	Medical Examiner/Coroner
37	Permit Appeals
38	Police
5	Public Defender
41	Public Library
90	Public Works
91	Purchaser
71	Real Estate
78	Recorder
42	Recreation and Park Commission
80	Registrar
45	Social Services
8	Treasurer - Tax Collector

ACTION:

2. File 127-92-8. Hearing to consider legislation amending Part III of the San Francisco Municipal Code by adding Section 502.7 in order to increase the City's Hotel Tax rate by one and a half percent from 11 to 12.5 percent by imposing a 1.5 percent surcharge. (Supervisor Hallinan)

ACTION:

3. File 100-92-7. Hearing to consider revenue options to augment the 1992-93 Annual Appropriation Ordinance and related ordinances. (Supervisor Migden)

ACTION:

4. File 161-92-4.1. [Redevelopment Agency Budget and Bonds] Resubmission of the Redevelopment Agency Budget as approved as amended, as a condition of approval, to present the Agency's 1992-93 Fiscal Year Budget to the Board of Supervisors, by September 1, 1992 for reconsideration in light of the fiscal impact to the Agency and City and County that may result from the final adoption of Fiscal Year 1992-93 Budget for the State of California; companion measure to File 161-92-4. (Redevelopment Agency)

ACTION:

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

DOCUMENTS DEPT.

SEP 30 1992

SAN FRANCISCO
PUBLIC LIBRARY

September 28, 1992

TO: Finance Committee

FROM: Budget Analyst *Recommendations*

SUBJECT: September 30, 1992 Special Finance Committee Meeting

Item 1 - File 101-92-7

1. This item is a hearing to consider amendments to the 1992-93 Annual Appropriations Ordinance.

2 The Budget Analyst submitted two reports on the Mayor's revised budget to the Board of Supervisors on September 25, 1992. The Finance Committee held public hearings on September 23 and September 26 1992 to consider amendments to the 1992-93 budget (Annual Appropriations Ordinance and the Annual Salary Ordinance). Recommendations for such amendments are scheduled to be considered by the Board of Supervisors on October 5 and 13, 1992.

3. The Budget Analyst has previously reported on the impact of proposed amendments to the Annual Appropriation Ordinance on a department-by-department basis (see report of September 25, 1992.) Since the issuance of that report, major revisions to the Mayor's original proposal for amendments to appropriations for the Public Utilities Commission and the Municipal Railway have been considered by the Public Utilities Commission. Revised reports on these two departments are included in the Recessed Finance Committee report, Item 1, File 101-92-7.

4. The Budget Analyst also prepared an overview analysis of the proposed ordinance amending the Annual Appropriation Ordinance based on the draft ordinance submitted by the Controller, on September 25, 1992. At that time, the results of amendments proposed in the draft ordinance showed that the City would still have a budget deficit of \$24.3 million if the ordinance had been adopted. Since that time, the Controller has informed the Budget Analyst that further revenue reductions will be incorporated into the ordinance, making the resulting budget deficit approximately \$25.79 million. As of the writing of this report, the Budget Analyst has not received a proposed ordinance in final form.

Item 2 - File 127-92-8

1. This item is a hearing to consider amendments to Part III of the San Francisco Municipal Code by adding Section 502.7 in order to increase the City's Hotel Tax rate by 1.5 percent from 11 percent to 12.5 percent, by imposing a 1.5 percent surcharge. The proposed effective date of the 1.5 percent surcharge increase is November 1, 1992.

2. Section 502.7 is a proposed new section that would impose an additional 1.5 percent (.015) surcharge to the City's Hotel Tax, which is now 11 percent (.11) for a total tax of 12.5 percent (.125) of the cost of renting a hotel room. All of the proceeds of this proposed additional 1.5 percent Hotel Tax surcharge would accrue to the General Fund.

3. The following information was provided by the San Francisco Convention and Visitors Bureau relating to various cities which reported their Hotel Tax rate to the Bureau (these rates were in effect as of September 4, 1990):

<u>City</u>	<u>Hotel Tax Rate (Percent)</u>	<u>City</u>	<u>Hotel Tax Rate (Percent)</u>
New York City	19.25 + \$2/m.	Phoenix	10.25
Seattle	14.2	Detroit	10
Houston	14	Long Beach	10
Atlanta	13	Monterey	10
Atlantic City	13	Oakland	10
Cleveland	13	Orlando	10
Dallas	13	San Jose	10
Los Angeles	12.5	San Mateo County	8-10
Chicago	12.4	Santa Barbara	10
Kansas City	11.975	Boston	9.75
Denver	11.9	St. Louis	9.675
Washington, D.C.	11.7 + \$1.50/m.	Honolulu	9
Anaheim	11	Palm Springs	9
Miami	11	Pittsburgh	9
New Orleans	11	Portland	9
Philadelphia	11	San Diego	9
Sacramento	11	Reno	8
Pasadena	10.94	Las Vegas	7

San Francisco (existing) 11
San Francisco (proposed) 12.5

The following cities have increased their Hotel Tax rates since the data above was compiled in 1990. The Budget Analyst has not surveyed all jurisdictions listed above in order to update the data provided.

<u>Anaheim</u>	increased from 11% to 13%
<u>Miami</u>	11% to 12.5%
<u>Long Beach</u>	10% to 11%
<u>Palm Springs</u>	9% to 10.8%
<u>Reno</u>	8% to 9%
<u>Las Vegas</u>	7% to 8%

BOARD OF SUPERVISORS
BUDGET ANALYST

4. Based on eight months collections, assuming this proposed ordinance is approved and implemented effective November 1, 1992, total collections would amount to approximately \$6.9 million based on current appropriations for Hotel Tax revenue at the current, 11 percent rate. On an annual basis, for twelve months, a one and one half percent Hotel Tax surcharge would amount to approximately \$10.4 million.

5. Available data on hotel occupancy in San Francisco is compiled by PKF Consulting, a private firm that monitors reports from Hotels. The last increase in the City and County's Hotel Tax rate occurred on January 1, 1987. Data provided by PKF shows that in December, 1987, occupancy increased by 13 percent for the more costly Hotel rooms in the City in comparison with December of 1986. Overall, for all Hotels and all rates, occupancy increased by 7% for calendar year 1987.

The table below illustrates occupancy trends and average room rate information reported by PKF Consulting since 1985. Comparisons from year to year are difficult as the basis of reporting is changed occasionally. Also, interpretation of occupancy rate data is dependent somewhat as the total number of Hotel rooms expands from year to year.

<u>Basis of Reporting</u>	<u>Calendar Year</u>	<u>Average Room Rate *</u>	<u>Occupancy Rate</u>	<u>Hotel Tax Rate</u>
Rooms over \$70 per night	1985	\$96.56	67.72%	9.75%
Rooms over \$70 per night	1986	\$94.57	68.97%	9.75%
Overall Average	1987	\$103.61	73.70%	11.0%
Overall Average	1988	\$106.54	72.80%	11.0%
Overall Average	1989	\$102.58	71.57%	11.0%
Overall Average	1990	\$109.43	68.70%	11.0%
Overall Average	1991	\$109.99	66.20%	11.0%
1st six months; rooms over \$110/night	1992	\$139.58	62.07%	11.0%
Rooms \$80 to \$110/night		\$90.92	68.51%	
Under \$80/night		\$62.84	58.72%	

* Average Room Rate is Exclusive of Hotel Occupancy Tax and Sales Tax

The data above shows that, despite the Hotel Tax rate increase in 1987 (from 9.75 percent to 11 percent) hotel occupancy reached its highest rates, and held at the over 70 percent level through calendar year 1989. Following the 1989 earthquake and the beginnings of economic recession in 1990, occupancy declined. The most recent report, for June, 1992, indicates increases in occupancy for the first time in several months.

6. We can only conclude, based on these data, that recent trends in San Francisco hotel occupancy has not displayed any relationship to the most recent tax rate increase but instead appears to change in relationship to economic conditions as a whole.

Recommendation

The proposal to increase the Hotel Occupancy Tax is a policy matter for the Board of Supervisors.

Item 3 - File 100-92-7

This item is a hearing to consider revenue options to augment the 1992-93 Annual Appropriations Ordinance and related ordinances.

On June 29, 1992, the Budget Analyst provided a report to the Finance Committee outlining potential revenue increases that could be achieved should legislation be approved by the Board of Supervisors and the Mayor regarding the real property transfer tax, hotel tax, sales tax and business taxes (see attached). Subsequently, a joint report by the Mayor's Office, Controller's Office and Budget Analyst's Office regarding additional possible scenarios for increasing the sales tax was presented to the Finance Committee on August 26, 1992. In addition, Item 2, File 127-92-8 of this report provides additional revenue information concerning an increase in the City's Hotel Tax.

The Budget Analyst has also reviewed the following various revenue options:

Local Motor Vehicle Fees

The State Vehicle Code provides that local jurisdictions can impose additional local motor vehicle registration fees for specified purposes. There are approximately 465,000 vehicles registered in the City and County of San Francisco. The City currently collects the maximum \$1 per vehicle for the City's Vehicle Theft Prevention Program and recently imposed the maximum \$1 per vehicle fee for the City's Abandoned Vehicle Abatement Program.

In addition, the State Vehicle Code which previously authorized a \$2 per vehicle registration fee, has increased such authorization to \$4 per vehicle for Air Quality Management purposes. San Francisco and other Bay Area counties currently impose a \$2 per vehicle Air Quality Management fee. The Bay Area Air Quality Management District (BAAQMD) recently approved a resolution to increase the fee to \$4 effective April 1, 1993. According to the BAAQMD, 60 percent of the revenues are available to the City and County through a competitive grant process, through the BAAQMD. The City has recently submitted a grant application in the amount of \$1,341,000 for such funds. The remaining 40 percent of the increased revenues are returned to San Francisco, through the County Transportation Commission and must be used for specific projects related to transportation and air quality purposes. The BAAQMD estimates that in FY 1993-94 approximately \$500,000 would be directly available to San Francisco, through the Transportation Commission. It is unclear whether such revenues could impact the General Fund revenues available to MUNI.

Increased Motor Fuel Taxes

In 1980, the voters of San Francisco approved Proposition L which authorized the Board of Supervisors to impose an additional \$.01 (one cent) fuel tax, with the increased revenues to be used for public transit purposes. To date, this additional one cent fuel tax has not been imposed by the Board of Supervisors. The Public Utilities Commission estimates that such an increase would generate approximately \$3.4 million of additional revenue for the City. However, on May 22, 1992, the City Attorney issued an opinion stating that because Proposition L was approved by a majority of the voters but not by 2/3 of the electorate, it is likely that this special purpose tax if enacted by the Board of Supervisors would be invalidated.

Increased Bridge Toll Fees

In April, 1991, Senator Kopp introduced Senate Bill (SB) 210 to increase State bridge tolls in the Bay Area for Class I vehicles by \$1 and to provide for a specific distribution of such increased revenues for various transit and related projects in the Bay Area. SB 210 was amended several times with most of the discussions focused on the allocation of the revenues and was not approved. Since then, the Metropolitan Transportation Commission (MTC) has achieved consensus with Bay Area transportation, air quality, business and environmental organizations regarding SB 210 to increase the tolls by \$1 and use such toll revenues for the following three broadly defined transbay transportation programs:

- Capital Rehabilitation
- Congestion Services
- System Coordination.

According to MTC, an estimated \$58 million of additional revenue would be available in the Bay Area from this \$1 toll increase. MTC also estimated that MUNI could qualify for \$10.2 million to \$13.9 million annual funding from this revenue source. However, as stated above, this legislation would require State approval.

Automated Teller Machine (ATM) Fees

Mr. Ted Lakey of the City Attorney's Office has advised the Budget Analyst that imposing fees on banks which install ATMs would not be legal because these machines do not encroach on the City's right-of-way. Based on discussions with the Department of Public Works, the banks generally work with the City, prior to installing such machines, to insure that such equipment is recessed into the building's facade and is not an encroachment on City property.

BOARD OF SUPERVISORS
BUDGET ANALYST

Annual Transit Impact Fees

Although the City currently imposes a one-time transit impact fee on new downtown development, according to Mr. Burk Delventhal of the City Attorney's Office, in order to assess an annual transit impact fee on downtown businesses would require the creation of a special assessment district. Mr. Delventhal reports that the City analyzed this issue after the passage of Proposition 13. Previous studies conducted by outside consultants identified the special enhanced level of transit services provided to the downtown area, and were able to separate the City-wide transit costs from those costs associated with the downtown area in order to determine assessments on a per square footage basis. Such analyses would need to be updated to determine the actual amount of such a fee and the amount to be generated on an annual basis in order to determine the potential impact on the General Fund. However, Mr. Delventhal cautions that the creation of such an assessment district for the operation and maintenance costs for MUNI may be more strictly viewed by the current courts.

Fire Department Suppression Assessments

The Los Angeles County Board of Supervisors, as the governing body of the Consolidated Fire Protection District, levied a benefit assessment on each parcel of property within the District in order to establish supplementary funds for fire protection and suppression services. These assessments are collected with the County's general taxes, were initiated in 1991-92 and are assessed for 20 years, with adjustments in the rates over the period. The assessments are based on the type of use of the property and the size of improvements on the parcel. Such assessments range from \$7-8 for an individual condominium unit to \$1,177 for a warehouse over 50,000 square feet. A similar benefit assessment district throughout San Francisco could be created to enhance the Fire Department's budget, with potential savings to the General Fund. The specific amount of revenues that could be generated and assessment fees would vary. Mr. Delventhal reports that he is currently reviewing the legal issues concerning the ability of San Francisco to create such a benefit district.

Viacom's Franchise Fees

The current cable television franchise requires Viacom Cablevision of San Francisco to pay the City a franchise fee of five percent of Viacom's gross receipts. Of the five percent, 4.8 percent is deposited in the City's General Fund and 0.2 percent is deposited into a special Cable Television Access and Development Fund for public, educational and municipal access activities. In FY 1992-93, the City is budgeted to receive \$3,073,200 in the General Fund from this franchise fee.

The current contract which specifies these provisions extends until the year 2002. However, every three years, the City has an opportunity to modify the contract and the City is currently in this three year window period. Ms. Ann Kronenberg of the Mayor's Office, in conjunction with the Telecommunications Policy Committee, is currently reviewing other compliance and operational issues regarding Viacom and intends to bring a proposal before the Board of Supervisors in the near future regarding potential modifications to the Viacom contract. Such modifications could address the issue of the municipal cable channel and opportunities to share space on this channel with Viacom and the potential for additional direct revenues to the City from such an arrangement. The specific proposal or revenue potential from such modifications was not currently available.

BOARD OF SUPERVISORS
BUDGET ANALYST

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS**BUDGET ANALYST**

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

June 29, 1992

To: Finance Committee
From: Budget Analyst
Subject: City and County General Fund Revenues

Pursuant to your request, we are providing the following discussion of major City and County General Fund revenue sources and potential revenue increases should appropriate legislation be approved by the Board of Supervisors and the Mayor.

Real Property Transfer Tax

This tax is imposed on the transfer of real property. The current tax rate is \$5.00 per thousand dollars (0.5%) of assessed valuation as established by the sale price of the property. Current law does not stipulate who shall pay the tax. Typically it is paid from sale proceeds at final closing, although the burden of payment can be negotiated between the buyer and the seller.

The Real Property Transfer Tax revenue is subject to unpredictable variations due to fluctuations in the real estate market. In fiscal year 1990-91, \$21.0 million was budgeted for this revenue, while only \$13.7 million was collected. In 1991-92, \$18.0 million has been budgeted while actual collections will range between \$13.0 and \$14.0 million. The Mayor's recommended 1992-93 budget includes Real Property Transfer Tax revenue in the amount of \$16.0 million.

The City of Oakland has recently proposed an increase in their Real Property Transfer Tax rate from 1.0% to 1.5%; three times the current rate for San Francisco. If this increase is approved, Oakland will join the City of Berkeley as the highest rate for this tax in the State of California.

In 1990, the Board of Supervisors considered a proposal to increase this tax to \$7.50 per thousand dollars (0.75%). The ordinance was not adopted.

If a similar proposal were reconsidered this year, the annual increase to revenue would be \$8.0 million based on the presently budgeted amount of \$16.0 million at current rates. However, it would only be possible to levy the tax for eleven months at the most, due to time lags in approving and implementing the legislation, resulting in a potential 1992-93 revenue increase of approximately \$7.3 million. Alternative rate adjustments would of course result in proportionate revisions to the revenue.

As noted above, this revenue has been unpredictable, with significant shortfalls over the last two fiscal years. The likelihood of meeting the current revenue estimate of \$16.0 million for fiscal year 1992-93 will depend on some measure of improved economic conditions resulting in increased real estate sales over current levels.

Attachment I to this report provides a table of County and City real property transfer tax rates. Most of the data are from a 1991 survey, and may have changed, although some City rates, indicated by an asterisk, have been updated to reflect a recent survey by the City of Oakland.

Hotel Tax

The current Hotel Tax rate is 11%. It is divided between an 8% base rate and a 3% 'surcharge' (1.75% to General Fund; 1.25% to Convention Facilities for Moscone Center expansion). Total revenue from the 11% tax rate in 1992-93 are budgeted at \$76.6 million.

If the Hotel Tax were raised by 1% (from 11% to 12%) the annual revenue increase (twelve months) would amount to approximately \$6.96 million. However, only a maximum of ten months could be realized in 1992-93, for a revenue increase of approximately \$5.8 million.

Attachment II shows the results of a 1990 survey of Hotel Tax rates in major Cities across the country.

Sales Tax

The total current sales tax rate is 8.5% in San Francisco. The proceeds from this tax are distributed as follows:

<u>Portion of 8.5% Rate</u>	<u>Distributed to</u>
6.0%	Current total to State of California; includes 4.75% base rate; 0.5% permanent surtax; 0.25% temporary surtax; 0.5% dedicated to realignment.
1.0%	Amount provided to City and County General Fund; 1992-93 budget amount is \$89.1 million.
0.5%	County Transportation Commission
0.25%	Statewide County Transportation
0.5%	Bay Area Rapid Transit District
<u>0.25%</u>	Surtax, expiring 6/93, dedicated to San Francisco Unified School District and San Francisco Community College District
8.5%	Total Sales Tax Rate

Under a current State budget proposal, Counties would be authorized to increase sales tax rates over a three year period to compensate for the revenue lost due to the removal of Proposition 13 'bailout' revenues. In the first year fiscal year (1991-92), the County would be permitted to increase the sales tax rate by 0.5% (to a total of 9.0% in San Francisco) for a period of approximately eight months. The increased revenue for this eight-month period would approximate \$29.7 million. Over twelve months, the 0.5% additional sales tax rate would produce approximately \$44.5 million.

The current State budget proposal described above would also phase in, over three years, authorization for Counties to increase sales taxes by a total of 1.25%. Using current revenue estimates, this increase would produce approximately \$111.0 million annually.

Business Taxes (Payroll and Gross Receipts; Business License Registration Fee)

Currently, all San Francisco businesses pay a Business License Registration fee of \$150 annually, unless the gross receipts of the business is less than \$15,000. Businesses subject to Payroll Tax or Gross Receipts Tax must pay the higher of either 1.5% of their total payroll or, for most businesses, \$3.00 per \$1,000 of gross receipts. San Francisco business with a calculated tax liability of \$2,500 or less are exempt from the payroll or gross receipts tax and therefore are only subject to the \$150 annual registration fee. Of an estimated total of 55,000 businesses in San Francisco, only about 10%, or 5,500, are not exempt from paying either the payroll or gross receipts tax (those businesses with a tax liability of \$2,501 or more).

Budgeted revenues from business taxes for 1992-93 are:

Payroll Tax	\$127,610,000
Gross Receipts	21,990,000
Registration Fee	<u>7,400,000</u>
Total	\$157,000,000

In 1988-89, a surtax of 0.1% on payroll taxes increased the payroll tax rate from 1.5% to 1.6% (a 6.67% increase). A similar increase, if implemented now, would produce approximately \$8.5 million in payroll taxes and \$1.4 million in gross receipts tax revenue, or a total of \$9.9 million for 1992-93. Because such taxes are collected twice annually, legislation made retroactive to July 1, 1992 would permit the full collection of these amounts in 1992-93.

Lowering the threshold amount for exemption from business tax liability would also increase revenue. The Mayor's Office of Economic Development recently analyzed the effect of the current \$2,500 level for the exemption and found that setting the level at lower levels would increase revenue by up to a total of approximately \$16.0 million annually if the exemption were removed altogether.

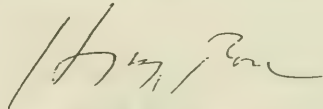
Memo to Finance Committee
June 29, 1992
page 5

Based on stratified data provided by the Tax Collector for 1989-90, the following number of business would become subject to the business tax and provide the indicated increased revenue annually based on the indicated exemption threshold:

<u>Subject to Tax if</u> <u>Tax liability were</u>	<u>Number of Businesses</u> <u>that Would become</u> <u>Subject to Tax</u>	<u>Increased</u> <u>Annual Revenue</u>
\$2,001 or more instead of current level of \$2,501	1,604	\$3.6 million
\$1,501 or more instead of current level of \$2,501	3,251	\$6.5
\$1,001 or more instead of current level of \$2,501	5,744	\$9.6
\$500 or more instead of current level of \$2,501	10,127	\$12.7
\$1 or more instead of current level of \$2,501	33,164	\$16.0 million

The number of businesses and revenue amounts shown above include all businesses exempt from the business tax liability in 1989-90. The Tax Collector estimated that approximately 15% of such small businesses did not file business tax returns.

At the present exemption level of \$2,500 in tax liability, all businesses with a total payroll of \$166,666 or less (based on a 1.5% payroll tax) and all businesses with gross receipts of \$833,333 or less (based on a \$3.00 per 1,000 of gross receipts) are exempt.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy

Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

Attachment I

The table below illustrates County and City Transfer Tax Rates based on 1991 data, updated for selected cities by a recent survey conducted recently by the City of Oakland.

<u>COUNTY TRANSFER TAX RATE</u>		<u>CITY TRANSFER TAX RATE</u>	
	tax per thousand		tax per thousand
Alameda	\$1.10	Alameda	\$4.40
		Albany	\$4.40
		* Berkeley	\$15.00
		Hayward	-
		Montclair	-
		** Oakland	\$10.00
		* Piedmont	\$6.50
		San Leandro	\$2.00
Contra Costa	\$1.10	* Richmond	\$7.00
Fresno	\$1.10	Fresno	-
Kern	\$1.10	Bakersfield	-
Los Angeles	\$1.10	Los Angeles	\$4.50
		Beverly Hills	-
		Culver City	\$4.50
		Northridge	-
		Redondo Beach	\$2.20
Marin	\$1.10	Belvedere	-
		San Rafael	\$0.45
		Tiburon	-
Napa	\$1.10	St. Helena	-
Orange	\$1.10	Anaheim	\$0.60
Riverside	\$1.10	Riverside	-
Sacramento	\$1.10	Sacramento	\$2.50
San Diego	\$1.10	San Diego	-
San Francisco	\$5.00	San Francisco	-
San Mateo	\$1.10	Atherton	-
		Hillsborough	-
		Menlo Park	-
		Redwood City	-
		San Mateo	\$5.00
Santa Clara	\$1.10	Mountain View	\$3.30
		Palo Alto	-
		San Jose	\$3.30
City and County of San Francisco	\$ 5.00		

- * Updated by recent Oakland Survey
 ** Proposed increase to \$15.00 now pending

BOARD OF SUPERVISORS
BUDGET ANALYST

Attachment II

The following information was provided by the San Francisco Convention and Visitors Bureau relating to various cities which reported their Hotel Tax rate to the Bureau (these rates were in effect as of September 4, 1990):

<u>City</u>	<u>Hotel Tax Rate (Percent)</u>
New York City	19.25 + \$2/rm.
Seattle	14.1
Houston	14
Atlanta	13
Atlantic City	13
Cleveland	13
Dallas	13
Los Angeles	12.5
Chicago	12.4
Kansas City	11.975
Denver	11.9
Washington, D.C.	11.7 + \$1.50/rm.
Anaheim	11
Miami	11
New Orleans	11
Philadelphia	11
Sacramento	11
Pasadena	10.94
Phoenix	10.25
Detroit	10
Long Beach	10
Monterey	10
Oakland	10
Orlando	10
San Jose	10
San Mateo County	8-10
Santa Barbara	10
Boston	9.75
St. Louis	9.675
Honolulu	9
Palm Springs	9
Pittsburgh	9
Portland	9
San Diego	9
Reno	8
Las Vegas	7
San Francisco (existing)	11

Item 4 - File 161-92-4.1

Department: San Francisco Redevelopment Agency (SFRA)

Item: Resubmission of the SFRA's Fiscal Year 1992-93 budget to the Board of Supervisors by September 1, 1992 for reconsideration in light of the fiscal impacts to the SFRA and to the City's General Fund that have resulted from the final adoption of the Fiscal Year 1992-93 budget of the State of California.

Description: During its review of the Redevelopment Agency's FY 1992-93 budget in August of 1992, the Board of Supervisors amended the Agency's Budget to require the Agency to resubmit its budget to the Board of Supervisors by September 1, 1992. The Board of Supervisors wanted to reconsider the Agency's budget when the impact on the City from the State budget reductions were known. This item was continued by the Finance Committee because the State budget had not been adopted.

According to the SFRA, State legislation recently passed and signed by the Governor requires Redevelopment Agencies to pass through to the San Francisco Unified School District and the San Francisco Community College District approximately 16 percent of their 1990-91 tax increment revenues. However, the SFRA reports that there are currently varying interpretations as to whether this liability includes property taxes from Redevelopment Project Areas totalling \$1,255,151 already paid to the Districts in FY 1990-91. According to the SFRA, if the liability does not include this amount, the SFRA will have to pay the San Francisco Unified School District and the San Francisco Community College District a total of \$3,168,271. If this amount is reduced by \$1,255,151 for the amounts already provided to these Districts, the remaining liability would be \$1,913,120. According to Mr. Bob Gamble of the SFRA, the amount of either \$3,168,271 or \$1,913,120 represents a one-time obligation that the SFRA is required to pay in May of 1993. According to Mr. Gamble, a list of the Redevelopment Agencies' liabilities will be provided to the SFRA by the State's Director of Finance on October 1, 1992.

Mr. Gamble reports that the SFRA does not at this time know which budget reductions it will take to meet its obligation. As noted above, the SFRA has until May of 1993 to decide which spending reductions to make. However, Mr. Gamble advises that the SFRA will be making the necessary expenditure reductions sometime during October of 1992.

In addition to the State's cuts, the Mayor's Office is requesting that the SFRA postpone half of its debt service from 1992-93 tax increment bonds or \$2.5 million until FY 1993-94. Approximately 87 percent of tax increment revenues used to repay tax increment bonds is General Fund monies. Thus, postponing half of its debt service would result in approximately \$2.2 million in General Fund savings during FY 1992-93 and increase General Fund expenditures by approximately \$2.2 million in FY 1993-94.

Comments:

1. The proposed postponement of debt service payment would act as a no interest loan to the City to be repaid during FY 1993-94.
2. In his message transmitting amendments to meet the City's budget deficit, the Mayor proposed to make adjustments on revenues and reserves in non-General Fund departments (Airport, Port and Redevelopment Agency) totalling \$28 million. The proposed budget amendments transfer \$1.0 million from Port reserves (See Item 1, File 101-92-7). The details relating to the Airport and Redevelopment Agency have not yet been finalized.

Recommendation: Approval of any amendment to the Redevelopment Agency budget is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims

Jean Mariani
Barbara Kolesar
Ted Lakey

CITY AND COUNTY



OF SAN FRANCISCO

DOCUMENTS DEPT.

SEP 30 1992

SAN FRANCISCO
PUBLIC LIBRARY

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

September 28, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendations*

SUBJECT: September 30, 1992 Recessed Finance Committee Meeting
Item 1 - File 101-92-7

1. This item is a hearing to consider amendments to the 1992-93 Annual Appropriation Ordinance.
2. The Budget Analyst submitted two reports to the Board of Supervisors concerning the Mayor's proposed budget revisions on September 25, 1992. The Finance Committee held public hearings on September 23 and September 26 1992 to consider amendments to the 1992-93 budget (Annual Appropriation Ordinance). Recommendations for such amendments are scheduled to be considered by the Board of Supervisors on October 5 and 13, 1992.
3. The Budget Analyst has previously reported on the impact of proposed amendments to the Annual Appropriation Ordinance on a department-by-department basis (see report of September 25, 1992.) Since the issuance of that report, major revisions to the Mayor's original proposal for amendments to appropriations for the Public Utilities Commission and the Municipal Railway have been agreed to by the Mayor and submitted to the Public Utilities Commission for their approval. Revised reports on these two departments are included in succeeding pages of this report.
4. The Budget Analyst also prepared an overview analysis of the proposed ordinance amending the Annual Appropriation Ordinance based on the draft ordinance submitted by the Controller, on September 25, 1992. At that time, the results of amendments proposed in the draft ordinance showed that the City would still have a budget deficit of \$24.3 million if the ordinance had been adopted. Since that time, the Controller has informed the Budget Analyst that further General Fund revenue reductions will be incorporated into the ordinance. As of the writing of this report, the Budget Analyst has not received a proposed ordinance in final form. Due to various anticipated changes to the draft ordinance, the amount of the remaining deficit may increase or decrease depending on future actions.

Budget Revision Summary

Department:

40 Public Utilities Commission

SEE "REVISED" (attached at back of report)

Budget Data

	1992-93 Budget as Adopted	Mayor's Proposed Revisions	Revised Budget as Recommended by the Mayor
Total Expenditures	\$44,206,454	(\$1,624,564)	\$42,581,890
Net General Fund Expenditures	(\$332,256)	(\$1,624,564)	(\$1,956,820)
Department Revenue	0	-	-
Total Authorized Permanent Positions	558	47	511
Funded Positions (FTE) including permanent salaries, net of salary savings; temporary salaries, overtime, EWW	540	47	493
Estimated number of layoffs	-	47	

Note: The Budget Analyst is informed that the Mayor and PUC staff have agreed on certain changes to rescissions originally included in the proposed ordinance. Although not yet finally approved by the Mayor's Office as of the writing of this report, these changes reflect budget reductions as approved by the PUC.

Description of Impact on Services:

The proposed budget reductions for the Public Utilities Commission total \$1,624,564 for the PUC bureaus in personnel and overhead accounts. An additional \$975,000 in reduced costs resulting from a Work Furlough Program is budgeted for the MUNI and the PUC. However, definite percentages of the \$975,000 reduction due to furloughs have not been assigned to the MUNI and to the PUC as of the writing of this report.

PUC - General Manager

	No. of Positions Deleted	Amount
<u>Sub Obj 0010 Misc. Perm Salaries</u>		
1404 A Clerk	1	\$13,385
1760 A Offset Mach. Operator	2	29,341
1762 A Sr. Offset Machine Operator	1	17,603
1774 A Head Photographer	1	22,706
1778 A Reproduction Services	1	21,532
1824 A Principal Analyst	1	0*
8121 A Investigative Protective Services	1	26,136
8221 A Chief, Protection Svcs.	1	39,765
Mandatory Fringe Svgs.		42,618
Obj 109 Security Contract		100,000
Obj 109 Reproduction Contract		<u>50,000</u>
Subtotal PUC - General Mgr.	9	\$363,086

* Grant funded position

Impact on Services (According to PUC)

Eliminates all photographic and reproduction services in-house.

Impairs liaison with outside investigative agencies.

Eliminates maintenance of the Crime Prevention Through Environmental Design (CPTED) computerized security system.

PUC - Finance

	No. of Positions	
	<u>Deleted</u>	<u>Amount</u>
<u>Sub Obj 0010 Misc. Perm Salaries</u>		
A058 A Director of Enterprise Accounting	1	\$36,449
1426 A Sr. Clk Typist	1	16,378
1454 A Exec Secty III	1	19,823
1656 A Head Accountant	1	26,899
1824 A Prin. Admin Analyst	2	56,883
9158 A Asst. Claims Agent	1	39,914
Mandatory Fringe Svgs		<u>49,086</u>
Subtotal PUC-Finance	<u>7</u>	\$245,432

Impact on Services (According to PUC)

Delays in audit completions will jeopardize Muni's federal, state, and local grants.

Unable to maintain fixed assets system.

General slowdown in processing accounting documents.

Increased span of control for the General Claims Agent.

PUC - BMIS

	No. of Positions	
	<u>Deleted</u>	<u>Amount</u>
<u>Sub Obj 0010 Misc. Perm Salaries</u>		
1739 A Computer Operations Supvr. II	1	\$24,361
1780 A Asst. Chief, Comp. Operations	1	26,868
1877 A Supv Systems Programming	1	36,146
1880 A Chief of Systems	2	64,927
Mandatory Fringe Svgs		38,076
Sub Obj 1240 DP Equipment		<u>50,000</u>
Total PUC - BMIS	<u>5</u>	\$240,378

Impact on Services (According to PUC)

Delay in implementing Muni's office automation program.

Delay in implementing electronic mail and purchasing requisitions system.

Not able to purchase spare parts for microcomputers for PUC departments.

PUC - Utility Engineering

09499 PUC Personnel Fund

	No. of Positions <u>Deleted</u>	<u>Amount</u>	
<u>Sub Obj 0010 Misc. Perm Salaries</u>			
1222 A Sr Pay/Pers Clk	1	\$19,512	
1404 A Clerk	1	10,256	
1426 A Sr Clk-Typist	4	61,304	
1446 A Secretary II	4	70,278	
1452 A Exec Secty I	1	24,424	
1630 A Account Clk	2	35,139	
1842 A Management Asst.	1	22,485	
1844 A Sr Mgmt Asst	1	23,423	
1880 A Chief of Systems	1	39,790	
5208 A Civil Engr	1	0	
5210 A Sr Civil Engr	1	39,804	
5212 A Prin Engr	3	136,363	
Mandatory Fringe Benefits		<u>120,694</u>	
Subtotal PUC-UEB	<u>21</u>		\$603,472

Impact on Services (According to PUC)

Eliminates 21 positions without affecting the core operations of the Bureau.

PUC - Personnel

	No. of Positions <u>Deleted</u>	<u>Amount</u>	
<u>Sub Obj 0010 Misc. Perm Salaries</u>			
1233 A Affirmative Action Spec	2	\$45,949	
1246 A Prin Pers Anal	1	34,714	
1272 A Sr. Dept. Pers. Officer	1	40,559	
1426 A Sr. Clk Typist	1	16,535	
Mandatory Fringe Benefits		<u>34,439</u>	
Subtotal - PUC Personnel	<u>5</u>		\$172,196

Impact on Services (According to PUC)

Diminished capacity to assist in recruiting, conducting AA/EEO training and processing discrimination complaints.

Reduced capacity to handle examinations for the Water Department and Hetch Hetchy.

Downgrades the level of personnel management assigned to Muni.

TOTAL PUC

\$1,624,564

Recapitulation of Proposed Reductions for the PUC

<u>Bureau</u>	<u>No. of Positions</u>	<u>Amount</u>
General Manager	9	\$363,086
Finance	7	245,432
BMIS	5	240,378
Utility Engineering	21	603,472
Personnel	5	172,196
Subtotal, Personnel	47	\$1,624,564

Comments

1. As previously stated, the Mayor's Office and the PUC have not finalized the reductions to be recommended to the Board of Supervisors. The Mayor's Office reports that it plans to present a finalized version at the Finance Committee meeting of September 30, 1992.

2. The proposed budget reduction of \$1,624,564 reduction includes contractual savings and Data Processing Equipment in the amount of \$200,000.

3. In addition to the proposed budget reduction of \$1,624,564, the PUC and the MUNI would reduce their budgets in total by \$1,000,000 through work furloughs. As of the writing of this report, the allocation between the MUNI and the PUC bureaus had not been decided upon. Attached is a set of options prepared by the PUC that allocates work furlough savings based on position classifications that would be included in such a Work Furlough Program. Option 1 of the Attachment would include all PUC assigned personnel including all MUNI, Water Department, Hetch Hetchy, and PUC Bureaus personnel, in the Work Furlough Program. Options 2 and 3 would exempt MUNI drivers, 50 percent of MUNI's 9139 Transit Supervisor positions, 50 percent of MUNI's 9140 and 9141 Transit Manager positions, the Water Department, and Hetch Hetchy. In addition, 25 percent of MUNI's maintenance staff would be exempted from the Work Furlough Program under Option 2 and 50 percent of the maintenance staff under Option 3.

4. Based on data provided by the PUC indicating furloughs for all MUNI and PUC employees (Option 1 to the Attachment in the PUC Section of this report), a one day furlough would amount to a \$750,290 savings of which \$580,690 in salaries and fringe benefits would be borne by MUNI and \$169,600 in salaries and fringe benefits would be borne by PUC, Water Department and Hetch Hetchy. Based on a \$1,000,000 furlough program, each employee would be furloughed 1.33 days and the total \$1,000,000 would be divided \$773,954 to MUNI and \$226,046 to PUC, Water and Hetch Hetchy.

5. In addition to the foregoing budget reductions, the Water Department and Hetch Hetchy would each provide \$2.5 million in equity transfers to the General Fund, for a total of \$5 million. The \$5 million would replace the previously planned Muni service reductions (\$3 million) and Muni fare increases (\$1.5 million) that will now not be implemented. The Water Department and Hetch Hetchy would obtain the \$2.5 million each by cutting previously approved appropriations for major capital projects.

Furloughs	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>
Muni Salaries (non-platform)	\$63,600,377	\$63,600,377	\$63,600,377
New Cuts	(\$906,344)	(\$906,344)	(\$906,344)
Subtotal	\$62,694,033	\$62,694,033	\$62,694,033
Exempt Pos.			
50% of 9139 Transit Sup		(\$4,581,049)	(\$4,581,049)
50% of 9140 and 9141 TM I and II		(\$1,910,541)	(\$1,910,541)
25% of Maint. staff		(\$10,634,539)	
50% of Maint. staff			(\$21,269,078)
Subtotal		\$45,567,905	\$34,933,366
Muni Savings Per day	\$239,290	\$173,923	\$133,333
Bureau Savings per day	\$65,000	\$65,000	\$65,000
Fringe Benefits	\$73,030	\$57,342	\$47,600
Total Savings per Day	\$377,320	\$296,265	\$245,933
		(2)	(3)
Drivers salaries (net)	\$60,000,000		
Drivers savings per day	\$229,008		
Fringe Benefits	\$54,962		
Total Savings- drivers	\$283,970		
Grand total savings per day	\$661,290		
Water	\$64,000		
Hetchy	\$25,000		
Total PUC savings per day	\$750,290		
	(1)		

- (1) Assumes all PUC employees are furloughed and Water and Hetchy savings are transferred to General Fund.
- (2) Assumes all non-driving personnel are furloughed except 25% of maintenance staff and 50% of transit supervisors and transit managers. No Water or Hetchy furloughs.
- (3) Assumes all non-driving personnel are furloughed except 50% of maintenance staff and 50% of transit supervisors and transit managers. No Water or Hetchy furloughs.

Budget Revision Summary

See "REVISED" attached to back of this document.

Department:

35 Municipal Railway

Budget Data

	1992-93 Budget as Adopted	Mayor's Proposed Revisions	Revised Budget as Recommended by the Mayor
Total Expenditures	\$272,925,479	(\$1,931,081)	\$270,994,398
Net General Fund Expenditures	101,834,278	(1,931,081)	99,903,197
Department Revenue	171,091,201	0	171,091,201
Total Authorized Permanent Positions	3,322	25	3,297
Funded Positions (FTE) <i>including permanent salaries, net of salary savings; temporary salaries, overtime, EWW</i>	3,181.7	24.6	3,157.1
Estimated number of layoffs		25	

Description of Impact on Services:

The Mayor's Proposed Revisions total \$ 1,931,081 includes \$1,157,127 in budget cuts to MUNI personnel and overhead costs and \$773,954 in work furloughs for all MUNI administrative staff and transit drivers as follows:

1. Cuts in Personnel and Overhead Costs related to Efficiencies

	No. of Positions	Amount
Reduce Administration and Management		
<u>Transportation Division</u>		
1844 Senior Management Asst	1	\$25,675
5289 Transit Planner III	1	27,862
9139 Transit Supervisor I	3	80,767
9142 Transit Manager III	2	74,552
Mandatory Fringe Benefits		56,391
Materials and Supplies (Uniforms)		<u>50,000</u>
Subtotal	<u>7</u>	\$315,247

Engineering and Administration Division

1312	Public Information Officer	1	\$19,960	
9188	Transit Equip Engineer	1	44,131	
5240	Electrical Engineer	1	34,713	
5256	Mechanical Engineer	1	34,712	
5346	Mechanical Eng Assoc I	1	22,916	
5268	Architect	1	16,938	
5354	Electrical Engineer	1	22,916	
5206	Associate Civil Engineer	1	29,976	
9995	Positions Not Detailed		27,500	
Mandatory Fringe Benefits			<u>68,516</u>	
Subtotal		8		322,278

Maintenance Division

1630	Account Clerk	1	\$15,620	
1840	Junior Management Asst	1	17,861	
1929	Parts Storekeeper	1	19,110	
7329	Elec Main Asst Supervisor	1	33,369	
7409	Elec Tran Svc Worker	1	20,619	
7214	Elec Trans Equip	1	39,385	
7262	Maintenance Painter	1	24,721	
2718	Custodian Supervisor I	1	18,361	
5364	Civil Engineer Associate I	1	22,916	
7390	Welder	1	23,824	
7318	Elect Maintenance Tech	2	62,249	
7441	Tool Room Mechanic	1	15,112	
Overtime			45,488	
Holiday Pay			29,881	
Mandatory Fringe Benefits			<u>104,899</u>	
Subtotal		13		493,415
Positions Not Detailed			\$20,619	
Mandatory Fringe Benefits			<u>5,568</u>	
Subtotal				<u>26,187</u>
Total Efficiency Reductions		<u>28</u>		<u>\$1,157,127</u>

2. Cuts related to Work Furlough Program

The Mayor has recommended a Work Furlough Program for both MUNI and PUC personnel totaling \$1,000,000. At this time, the Mayor has not provided any information related to which positions at MUNI and PUC would be identified in his proposed furlough program for these two departments. However, based on data provided by PUC, indicating work furloughs for all MUNI and PUC employees (Option 1 to the Attachment in the PUC Section of this report), a one day work

furlough would amount to a \$750,290 savings of which \$580,690 in salaries and fringe benefits would be borne by MUNI and \$169,600 in salaries and fringe benefits would be borne by PUC, Water Department and Hetch Hetchy. Based on a \$1,000,000 furlough program, each employee would be furloughed 1.33 days and the total \$1,000,000 would be divided \$773,954 to MUNI and \$226,046 to PUC, Water and Hetch Hetchy. PUC is also considering other furlough options that would exempt various MUNI maintenance classifications.

Comments

1. According to MUNI, the impact of the personnel cuts in the Engineering and Administration Division would be minimal. MUNI is expected to transfer some of the positions, including Classes 9188, 5240, 5256, 5346, 5268, 5354 and 5206 to grant funding. Elimination of Class 1312 would reduce the hours of the Telephone Information Center.

2. In the Transportation Division, the elimination of Class 1844 would require additional work to be performed by the unit managers, the elimination of Class 5289 would delay bus stop relocation studies and revenue vehicle acquisition plans, elimination of 3 Class 9139s would reduce special events planning and the elimination of 2 Class 9142s would impair budget preparations and the completion of various reports.

3. Because the Mayor has just identified several new position cuts to the Maintenance Division (Classes 2718, 5364, 7390, 7318 and 7441), MUNI has not had sufficient time to advise the Budget Analyst how these cuts in personnel would affect current transit service levels.

4. An amount of \$50,000 for Materials and Supplies in the Transportation Division relates to the purchase of uniforms for transit drivers. According to MUNI, the payment for uniforms ordered this fiscal year will be deferred until the next fiscal year due to the inability of the uniform contractor to supply uniforms in a timely manner. This deferral of budgeted funds is not expected to have any impact on transit services.

5. The Mayor also recommends budget cuts for positions not detailed totalling \$61,112 including \$34,925 (\$27,500 salaries and \$7,425 fringe benefits) in the Engineering and Administration Division and \$26,187 (\$20,619 salaries and \$5,568 fringe benefits) in other divisions.

Item 2 - File 291-92-1

Note: This item was recessed from the September 26, 1992 Finance Committee Meeting.

This is a hearing to consider all special funds administered by the Controller.

The attached August 31, 1992 report of the Controller provides information as to the City's Special Funds and the extent to which they may be available for transfer to the General Fund. The report also includes the Administrative Code sections which would have to be amended to effect transfer of each of these funds to the General Fund.



August 31, 1992

Finance Committee
Board of Supervisors
235 City Hall
San Francisco, CA 94102

Honorable Members:

At the request of Supervisor Carole Migden, the Controller was requested to prepare a report of Special Funds in the City and County of San Francisco.

Attached is a table which lists all funds on the books of the City, except funds set up for:

- accounting convenience
- capital/bond/grant projects
- restricted trust, agency or gift funds

The list is arranged in order by the city department primarily responsible for the operations of each fund. Also shown is the statutory authority creating the fund, its primary revenue source and the authority under which each fund may expend monies - by Board appropriation or continuing expenditure authority.

Some of these funds, where their revenue sources are relatively stable and predictable are regularly included in the annual budget of the City. Funds with unstable or unpredictable sources are usually only appropriated when sufficient resources are available.

Funds which have continuing expenditure authority are primarily those funds established to account for installation or inspection fees from the public for specific services performed. For example, DPW sewer installation fee deposits cover the cost of installing side sewers for property owners where the actual cost to install the sewer line cannot be determined until the work is completed. A deposit is received and the excess amount over cost is refunded. It would be quite cumbersome to have each deposit separately appropriated by the supplemental appropriation process.

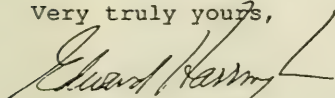
Supervisor Migden also requested information on the availability of special fund balances for possible transfer to the General Fund. The list shows few significant uncommitted resources available which could be used by the General Fund. For example, the Hotel Tax allocation formula contained in Municipal Code Section 515 could be altered by the Board so that the War Memorial did not receive the 10 percent share of these revenues it currently enjoys. However, if this were to occur, it would severely impact the operations of the War Memorial and Performing Arts Center.

To comply with the Supervisor's request, where there appears to be no statutory bar to a transfer we have indicated that the fund could be reprogrammed even though there may be ongoing departmental operations and programs funded from the current special fund allocation. We recommend further analysis of possible program or policy considerations before any transfers are recommended.

There are differences between the cash balance at August 21 and available resources balance at June 30. These occur because of timing differences, transactions recorded between the two dates and the fact that resources may be received and obligations incurred which can affect fund balances independently of the receipt or disbursement of cash. Balances for cash and fund balance were shown to be responsive to your request however, they do not necessarily represent precise amounts which could possibly be transferred to the General Fund.

I will be happy to provide whatever additional information you might find helpful.

Very truly yours,



Edward Harrington
Controller

cc: Budget Analyst

Spec.

CITY AND COUNTY OF SAN FRANCISCO

SPECIAL FUNDS

CODE	TITLE	SPECIAL FUNDS		RESPONSIBLE DEPARTMENT	FUND AUTHORITY	PRIMARY SOURCE OF FUNDS	APPROVAL TO ANNUAL BUDGET		EXPEND OTHER	FUND BALANCE	CASH BALANCE	MAY TRANSFER TO GENERAL FUND (SEE NOTE)
		AGING	ADMIN CODE 550 MUNI CODE				ANNUAL	BUDGET				
02-003	SENIOR CITIZEN PROGRAMS	AGING	ADMIN CODE 550 MUNI CODE			PARKING TAX	X			755,565	821,192	02-003
02-002	ANIMAL CONTROL & WELFARE	ANIMAL CONT	ADMIN CODE 10.117-87			DOG LICENSES FEES	X			2,975,627		02-002
02-411	PUBLIC ARTS FUND	ART COMM	ADMIN CODE 10.117-1			DONATIONS	X			100,960	172,120	02-411
02-412	STREET ARTIST FUND	ART COMM	CHARTER - APPENDIX F			FEES	X			628	1,247,390	02-412
02-413	MARKET ST. MAINTENANCE	ART COMM	ADMIN CODE 10.117-93			TRANSIT AD REVENUE	X			11,293	31,353	02-413
02-415	YOUTH ARTS FUND	ART COMM	ADMIN CODE 10.117-95			TRANSIT AD REVENUE	X			39,549	165,689	02-415
02-006	CABLE TV ACCESS	BD SUPES	ADMIN CODE 10.117-68			CABLE TV FRANCHISE	X			93,944	128,944	02-006
02-001	HOTEL TAX	CAO	SEC 515 SF MUNI CODE			HOTEL TAX	X			0	1,574,668	02-001
02-008	AGRICULTURE/WEIGHTS MEASURES	CAO	STATE CODES			STATE INSPECTION FEES	X			18,359	14,021	02-008
02-182	DOWNTOWN PARK FUND	CAO	PLANNING CODE			DEVELOPER FEES	X			896,631	1,267,454	02-182
02-301	YERBA BUENA CENTER	CAO	MUNI CODE SEC 515			HOTEL TAX	X			1,048,312	20,037,877	02-301
02-302	CONVENTION FACILITIES	CAO	MUNI CODE SEC 515			HOTEL TAXOPPER REV.	X			0	6,503,923	02-302
02-416	NEIGHBORHOOD BEAUTIFICATION	CAO	CHARTER - APPENDIX S			VOLUNTARY BUSINESS TAX	X			91,073	473,095	02-416
02-485	DOMESTIC VIOLENCE	COSW	ADMIN CODE 10.117-21			STATE FEES	X			26,011	2,578	02-485
02-010	COURTHOUSE FUND	COURTS	GOV. CODE SEC 76000			FLING FEES	X			6,662,886	7,319,081	02-010
02-513	DISPUTE RESOLUTION	COURTS	ADMIN CODE 10.117-63			STATE FINE REVENUES	X			166,088	224,259	02-513
02-443	CIVIL SERVICE SPECIAL FUND	CSC	ADMIN CODE 10.117-28			FEES	X			5,845	18,211	02-443
02-178	ALCOHOL REHAB PROGRAM	DPH	ADMIN CODE 10.117-22			STATE DUI FINES	X			14,059	14,059	02-178
02-453	SERVICES FOR OUTSIDE AGENCIES	DPH	ADMIN CODE 10.117-73			GOV CODE SEC 76000 (EMS FUND)	X			133,440	202,176	02-453
02-281	GAS TAX STREET IMPROV. FUND	DPW	S&H CODE, sec 2105, ADMIN COD			STATE GAS TAXIGEN FUND	X			575,072	5,853,237	02-281
02-062	ROAD FUND	DPW	S&H CODE, sec 2105 etc			STATE GAS TAXIGEN FUND	X			0	1,337,553	02-062
02-053	BUILDING INSPECTION FUND	DPW	ADMIN CODE 10.117-78			PERMIT & INSPECTION FEES	X			2,620,722	6,547,247	02-053
02-094	STRONG MOTION ADMIN FUND	DPW	BUILDING CODE SEC 3040			PERMIT & INSPECTION FEES	X			35,411	150,421	02-094
02-095	EXCAVATION FUND	DPW	PUBLIC WORKS CODE SEC 3538			PERMIT & INSPECTION FEES	X			46,283	211,173	02-095
02-096	SUBDIVISION MAP FUND	DPW	SUBDIVISION CODE SEC 1315			FEES	X			96,371	1,026,661	02-096
02-097	SPECIAL ENGINEERING INSPECTION	DPW	PUBLIC WORKS CODE SEC 640			FEES	X			25,202	319,938	02-097

Transfer Codes:

- 1 - Could be reprogrammed with Board action. Possible program consequences
- 2 - Limited ability to reprogram or restrict funds
- 3 - Use restricted
 - 3A - Use restricted by State Law
 - 3B - Use restricted by Contract
 - 3C - Use restricted. Funds currently support department operations
- 3D - Use restricted. Funds may only be used for narcotic related purposes.

SPECIAL FUNDS

CITY AND COUNTY OF SAN FRANCISCO

CODE	TITLE	SPECIAL FUNDS		RESPONSIBLE DEPARTMENT	FUND AUTHORITY	PRIMARY SOURCE OF FUNDS	APPROVAL TO EXPEND		FUND BALANCE	CASH BALANCE	MAY TRANSFER TO GENERAL FUND (SEE NOTE)
							BUDGET	SUPPL APPN			
02-098	SIDE SEWER INSTALLATIONS	DPW	PUBLIC WORKS CODE SEC 109	FEES					409,078	510,344	2
02-099	DEFECTIVE SIDEWALK REPAIRS	DPW	PUBLIC WORKS CODE SEC 700.8	FEES OR LIONS					9,547	223,088	2
02-100	REPAIR AND DEMOLITION	DPW	BUILDING CODE SEC 203	FEES OR LIONS					7,132	453,645	2
02-101	UNDERGROUND SOURCE LATERAL	DPW	PUBLIC WORKS CODE SEC 900	FEES					1,578	31,213	2
02-351	UTILITY DEPOSITS - CONSTRUCTION	DPW	AAO SEC 4.11	CONTRACTOR DEPOSITS					4,697	193,064	3
02-501	CODE ENFORCE & REHAB	DPW	PUBLIC WORKS CODE	STATE & FEDERAL FUNDS			X		135,781	536,230	3
02-445	SOCIAL SERVICES SPECIAL FUND	DSS	W & I 18965, AD CODE 10.117-34	BIRTH CERT FEES, GIFTS			X		111,545	247,840	3A
02-448	ELECTRICITY CUSTOM WORK	DSS	AAO SEC 4.11	CONTRACTOR DEPOSITS					66,101	71,650	3A
02-062	SPECIAL FUND - DPH	HEALTH	ADMIN CODE 10.117-73	GOV CODE SEC 76000 (EMS FUND)			X		347,577	1,924,551	3A
02-065	VITAL STATISTICS FUND	HEALTH	ADMIN CODE 10.117-85	BIRTH DEATH, MARRIAGE FEES					28,547	30,876	2
37-510	LAGUNA HONDA GIFT FUND	LAGUNA HONDA	ADMIN CODE 10.114	GIFTS, ETC.					2,808	14,257	
02-421	LIBRARY PUBLICATION FUND	LIBRARY	ADMIN CODE 8.21-1	SALE OF LIBRARY PUBLICATIONS			X		152,331	2,691,359	
02-422	SPECIAL COLLECTION FUND	LIBRARY	ADMIN CODE 10.117-13	SALE OF SPECIAL BOOKS					(10)	1,444	
02-478	LIBRARY COMMUNICATION FUND	LIBRARY	ADMIN CODE 8.21-1	SALE OF LIBRARY MATERIALS			X		2,965,294	782,501	
02-004	ECON DEVELOPMENT REVOLVING FUND	MAYOR	ADMIN CODE 10.117-60	1987-88 BUDGET, LOAN FUNDS			X		0	103,894	
02-190	MOBED FILM PRODUCTION FUND	MAYOR	ADMIN CODE 57.10	MOBED FILM FEES			X		1,617,367	1,648,499	
02-180	AFFORDABLE HOUSING FUND	MOBED	PLAN CODE, ADMIN CODE 10.117	DEVELOPER FEES, LOANS, ETC.			X		1,435,697	1,411,469	
02-181	AFFORDABLE CHILD CARE FUND	MOBED	PLANNING CODE	DEVELOPER FEES					67,038,401	69,076,306	
31-002	TRANSIT IMPACT DEVELOPMENT FUND	MUNI	ADMIN CODE CHAPTER 38	DEVELOPER FEES			X		0	0	3
31-504	TRANSIT INFORMATION FUND	MUNI	ADMIN CODE 10.191	SALE OF MUNI SCRAP ITEMS					93,566	184,992	
31-540	MUNI OPERATORS LOUNGE FACILITY	MUNI	ADMIN CODE 10.117-44	VENDING MACHINE COMMISSION			X		0	8,577	
31-560	MUNI VIDEO PRODUCTION FUND	MUNI	ADMIN CODE 8.23	SALES OF TRAINING MATERIALS			X		32,006	23,208	
31-570	MUNICIPAL RAILWAY GIFT FUND	MUNI	ADMIN CODE 10.114-2	GIFTS, DONATIONS					18,605	18,605	
31-575	MUNI GRAFFITI FUND	MUNI	ADMIN CODE 10.114-2	GIFTS, ETC.			X		0	0	3
31-580	MUNI TRANSIT SHELTER PROGRAM	MUNI	CONTRACT	ADVERTISING FEES			X		0	0	3B

Transfer Codes:

- 1 - Could be reprogrammed with Board action. Possible program consequences
- 2 - Limited ability to reprogram or redirect funds
- 3 - Use restricted
- 3A - Use restricted by State Law
- 3B - Use restricted by Contract
- 3C - Use restricted. Funds currently support department operations
- 3D - Use restricted. Funds may only be used for narcotic related purposes.

Items 3, 4, 5 and 6 -- Files 100-92-6, 100-92-6.1, 97-92-57, and 97-92-57.1

Note: These items were recessed from the September 26, 1992 Finance Committee Meeting

Items: Hearing (File 100-92-6) to consider a review of the City's General Fund expenditures and policy on the use of City-owned automobiles.

Ordinance (File 92-92-57) amending Chapter 21 of the San Francisco Administrative Code by adding Sections 21.18-4 and 21.18-5 to guide and limit the Purchaser's purchase, lease, and procurement of vehicles for use by officials and employees of Departments of the City and County, requiring the procurement of the most economical vehicle available for that purpose and exempting mass transit vehicles.

Resolution (File 100-92-6.1) urging the Mayor to include in Budget Instructions to the various Departments information regarding Board policy on procurement of vehicles and informing City Departments that the Board will disapprove budget requests for authorization of procurements of vehicles for City Departments absent a sufficient showing of need for said vehicle.

Draft motion (File 97-92-57.1) requiring return of cars owned or leased in violation of the Administrative Code and directing the Clerk of the Board to instruct the Controller to declare an offset against employees found to be in violation of Section 4.11b of the Administrative Code.

Description: On August 4, 1992, the Budget Analyst issued a report showing estimated 1991-92 and 1992-93 General Fund expenditures for automotive vehicles and related costs. In 1992-93, total costs are budgeted at \$7,135,423, including \$5,435,713 for emergency vehicles and \$1,699,710 for non-emergency vehicles. These expenditures reflect costs for the acquisition, maintenance, and operation of City vehicles, and also included \$348,260 to reimburse City employees for the use of their private vehicles.

The proposed ordinance (File 97-92-57) would amend Chapter 21 of the Administrative Code by adding Sections 21.18-4 and 21.18-5 to guide and limit the Purchaser's purchase, lease and other procurement of vehicles for use by officials and employees of City Departments. Specifically, the proposed ordinance would require the Purchaser to purchase the most economical vehicle that

BOARD OF SUPERVISOR
BUDGET ANALYST

would serve the purpose for which the vehicle purchase is approved. The proposed legislation defines "economical" to include price, durability, fuel efficiency, resale value, expected repair and maintenance cost, and all other factors, including options and accessories, that may enhance the safety and resale value of the vehicle and impact the total cost of the vehicle to the City. The proposed ordinance would further prohibit the Purchaser from authorizing the inclusion of options or accessories on any procured vehicles, unless the Department has demonstrated, and the Purchaser has determined, that the requested options are necessary.

According to the proposed legislation, the ordinance is intended: (1) to halt the use by City Departments of vehicles that are more expensive than necessary for the functions related to the duties of the officers and employees using the vehicles; (2) to ensure that vehicles procured by the City comply with acceptable standards regarding fuel consumption; and (3) to ensure that the City does not purchase vehicles that are not necessary for the effective performance of their duties.

The proposed resolution (File 100-92-6.1) would urge the Mayor to include in his Budget Instructions information regarding the Board of Supervisor's policy regarding vehicle procurement. The proposed resolution further urges the Mayor to advise City departments that the Board of Supervisors would disapprove budget requests for authorization of procurements of vehicles, unless the departments can provide sufficient demonstration of need for such a vehicle.

Currently, Section 4.10-1 of the Administrative Code governs the assignment of City vehicles to City employees. It states that the Purchaser, with the approval of the Chief Administrative Officer, may assign a vehicle to a department head for use by the department for authorized purposes. Section 4.11 states that the Purchaser shall not assign a vehicle to "an individual officer or employee unless a written request justifying the need for personal assignment is made by the head of [the] department and approved by the Chief Administrative Officer."

Administrative Code Section 4.11 includes the following provisions concerning the use of City vehicles by City employees:

- City vehicles shall be used "only in the discharge and transaction of municipal business."

BOARD OF SUPERVISOR
BUDGET ANALYST

- Use of a City vehicle by a City employee must be authorized by the Department head.
- Assignment of a vehicle to a specific employee by the Purchaser must be justified in writing by the head of the employee's Department and approved by the Chief Administrative Officer.
- The use of City vehicles for travel to and from an employee's place of residence is prohibited except in limited circumstances involving work assignments before or after normal working hours only by employees who reside outside of San Francisco. Exceptions are made for Police, Sheriff, and Emergency Service Department employees who are authorized to use vehicles equipped with emergency equipment, subject to guidelines issued by the Chief of Police, Sheriff, and Director of Emergency Services. These Departments are required to maintain detailed records concerning the use of the emergency-equipped vehicles by departmental employees.

Administrative Code Section 4.11 provides that employees who violate these provisions shall pay a penalty equal to 3 times the City's mileage reimbursement rate, times the number of miles travelled in violation of the statutory provisions. The proposed Draft Motion (File 97-92-57.1) would require that City officials and employees who are currently using City vehicles for personal use in violation of the City's Administrative Code return those cars, and that the Clerk of the Board instruct the Controller to recover all penalties due to the City. According to the proposed Motion, the wages of employees in violation of Section 4.11 would be offset to recover three times the City's mileage reimbursement rate times the number of miles driven for personal use.

Comments:

Procurement

1. The Purchasing Department indicates that vehicles are procured and assigned to Departments based on annual appropriations for such purchases made by the Board of Supervisors. According to the Purchasing Department, all vehicles are obtained from the lowest responsive bidder and are therefore obtained at least cost, for the types of vehicles which are included in the City's vehicle requisitions.

2. The Purchasing Department reports that it encourages departments to purchase compacts and subcompacts; however, if departments specify and have budget approval

BOARD OF SUPERVISOR
BUDGET ANALYST

for a larger vehicle, the larger vehicle is purchased. According to the Purchasing Department, a vehicle requisition includes the vehicle make and model which is requested based on the department's performance requirements. According to the Purchasing Department, "Purchasing seeks acceptable substitutes, in the accepting department's size range, in conformance with Charter-mandated competitive bidding requirements."

The Purchasing Department further reports that it has standard specifications for the features to be included with compact and sub-compact automobiles, and that air conditioning, tape decks, tilt steering wheels, cruise control, privacy glass, car telephones, specials wheels or hubcaps, and overdrive are not considered part of the standard specifications.

The Purchasing Department does not have such standard specifications for options and accessories for full-size cars because the Department reports that these vehicles are purchased only for special purposes.

3. Mr. Marvin Geistlinger, Director of Purchasing, states that his department is not an appropriate agency to evaluate departments' justifications for specific types of vehicles, including individual options and accessories, since these relate to the functional requirements of the automobile. Such functional requirements should be evaluated in the context of a specific program or departmental operation, according to Mr. Geistlinger, when departmental budget requests are submitted to the Mayor or in the course of budget hearings by the Board of Supervisors. Mr. Geistlinger states that, in his opinion, the function of the Purchasing Department should be to procure and deliver vehicles which have been justified and specified through the appropriation process.

Mr. Geistlinger believes that if the Purchasing Department were required to evaluate and document departments' justifications for a specific type of vehicle or vehicle accessory, it would be necessary for him to hire additional staff. Mr. Geistlinger is unable to estimate at this time what additional resources the Purchasing Department would need to perform such responsibilities.

4. In response to reports of abuses published in the September 24, 1992 edition of the San Francisco Examiner, the Purchasing Department has recently reviewed certain vehicle requisitions for the Municipal Railway, Public Utilities Commission and the Department of Public Works.

BOARD OF SUPERVISOR
BUDGET ANALYST

The Purchasing Department reports that justifications were provided by these departments for each of the vehicle options which were cited in the Examiner report, except for an automobile purchased for the Housing Authority. The Purchasing Department reports that the Housing Authority has its own procurement department and does not use the City's purchasing procedures.

5. The Purchasing Department reports that purchase orders for vehicles are filled subject to certification by the Controller that funds have been appropriated and are available. In the case of General Fund appropriations, the Purchasing Department will verify that funds have been appropriated for the purchase of the vehicle. However, the Purchasing Department indicates that funds made available through grants or other sources which are not included in the City's annual budget cannot be independently verified. In such instances, the Purchasing Department will fill the purchase order, subject to the Controller's certification, without verifying that funds have been appropriated.

Assignment

6. The Purchasing Department reports that vehicles are ordinarily delivered to departments which order the vehicle for use by members of the department. The Purchasing Department does not otherwise "assign" City vehicles across departments. The Purchasing Department is not aware of any vehicles which have been assigned to individual officers or employees of the City in recent memory.

According to Mr. Geistlinger, the Purchasing Department is involved only in procuring and delivering requisitioned vehicles, and does not oversee the use of City-owned vehicles by City employees once they are delivered to the Departments. The Budget Analyst notes that Section 4.11(b)(4) of the Administrative Code states that departments are required to maintain detailed records of employees' use of City-owned vehicles, but beyond that does not assign oversight responsibility to any City agency.

7. The proposed resolution urges the Mayor to include a request for information concerning procurement and operation of City vehicles in the Mayor's annual budget instructions. The Mayor's budget instructions for 1992-93 directed departments to provide "an itemized list of all vehicles [indicating] which vehicles are taken home by employees and whether vehicles are used as a pool." A copy

BOARD OF SUPERVISOR
BUDGET ANALYST

of this request from the Mayor's 1992-93 Budget Instruction Manual is included as Attachment 1 to this report.

8. The Mayor's Office has recently undertaken a survey of City Departments concerning the use of City vehicles. In a memorandum dated August 3, 1992, the Mayor's Budget Directors requested that all departments provide information concerning the use of City-owned vehicles and the costs of parking employee-owned and City-owned vehicles. Mr. Neal Tanaguchi of the Mayor's Office reports that the survey results have not been tabulated, and therefore the statistics from the survey are not yet available. Copies of the Budget Directors' memorandum of August 3, 1992 and the survey document are included as Attachment 2 to this report.

Mr. Tanaguchi reports that some departments assign vehicles to specific employees, whereas other departments pool their vehicles. In some cases, more vehicles may be assigned to employees than is necessary. For example, Mr. Tanaguchi reports that the Bureau of Building Inspection has 13 vehicles assigned to 13 Building Inspectors, and it has not been determined whether each building inspector needs a vehicle every day.

9. In a Management Audit of the Operations of the San Francisco Automotive Fleet and the Central Shops Division of the Purchasing Department, dated July, 1979, the Budget Analyst reported that more effective use of City vehicles would result from pooling the vehicles, rather than assigning them on an individual departmental basis.

The Budget Analyst reported in 1979 that the vehicle fleet could be reduced from 303 to 243 vehicles, or 19.8 percent, if the recommendation to pool City automobiles were adopted. Such an automotive pool is authorized under Section 4.12 of the Administrative Code, which was enacted in 1937, but has never been implemented.

The City currently has an automotive fleet of 1,350 automobiles. A list of the number of automobiles currently assigned to City departments is included as Attachment 3 to this report. Excluding 491 Police Department automobiles, the number of City-owned automobiles is currently 859. A more detailed listing which was provided by the Purchasing Department shows the year, make, and model of each automobile assigned to each department. Information regarding the number of other vehicles in the City's fleet was not available as of the writing of this report.

BOARD OF SUPERVISOR
BUDGET ANALYST

In 1979, the Budget Analyst recommended use of a garage under the Department of Public Health with a capacity of 50 vehicles during business hours and 80 vehicles overnight, with overflow directed to the Civic Center garage. The Budget Analyst notes that use of the Civic Center garage to house City-owned vehicles would decrease the amount of revenue which could be collected by the City from private use of the garage.

Mr. Geistlinger concurs that an automotive pool may represent a more cost effective use of the City's vehicles, but that logistical problems related to parking and servicing a large fleet of vehicles in the Civic Center area have obstructed implementation of this recommendation. Based on the Budget Analyst's recommendations, in 1980 the Purchasing Department recommended to the Finance Committee the establishment of a City automotive pool, but advised the Finance Committee that parking space for City vehicles at Civic Center was limited. The recommendation was not adopted, according to Mr. Geistlinger.

Personal Use of City Vehicles

10. The proposed Draft Motion instructs the Controller to declare an offset against employees found to be in violation of the City's prohibition on personal use of City vehicles. However, there appears to be no centralized oversight of the use of City vehicles by City employees. The Administrative Code assigns this responsibility to individual Department heads, with records to be open for inspection by the Mayor's Office and the Board of Supervisors. Thus, the extent to which City employees commute to and from their homes using City vehicles must be ascertained on a Departmental level.

The Controller, Mr. Ed Harrington, reports that since provision of an automobile for private use is an employee benefit for tax purposes, the City currently attributes \$3.00 of imputed income to employees who use City-owned vehicles to commute to their homes. Taxes are then deducted on the \$3.00 value of the benefit. Mr. Harrington reports that on September 28, 1992 he directed his staff to audit the City's payroll records to determine the extent to which City employees have reported their personal use of City-owned vehicles for commuting purposes.

The extent to which employees are reporting their private use of City-owned automobiles is not known. If violations of the Administrative Code are identified, Mr. Harrington reports that his office currently has the capability to apply

BOARD OF SUPERVISOR
BUDGET ANALYST

offsets of employees' salaries or wages to collect the penalties allowed under the Administrative Code.

11. Mr. Tanaguchi, based on preliminary survey results, reports that departments may permit employees to take City vehicles home because of a perceived lack of adequate overnight parking and security problems associated with leaving the vehicles unattended overnight at the job sites.

12. The Budget Analyst, in the July, 1979 Management Audit, estimated that City vehicles were driven 478,836 additional miles due to trips to their homes by City employees. This finding was issued prior to enactment of the Administrative Code provisions prohibiting this practice, although the use of City-owned cars by City employees to commute to work apparently has continued.

It is not known the extent to which this mileage figure may have decreased since 1979 due to the prohibition of this practice, or may have increased due to changes in residential patterns or increases in the number of vehicles. For purposes of illustration, if the number of commute miles driven by employees has not changed since 1979, then the annual cost to the City based on 478,836 annual miles and the current mileage reimbursement rate of \$.22 per mile would be \$105,344.

Recommendations:

1. Since the City may lack adequate parking facilities for City-owned vehicles which are driven to and from work, the proposed Draft Motion (File 97-92-57.1), instructing the Controller to declare an offset against City employees who operate City-owned vehicles to commute to work, except as provided in the Administrative Code, is a policy matter for the Board of Supervisors.
2. Approve the proposed resolution (File No. 100-92-6.1), which provides for specific justification by departments and closer scrutiny by the Board of Supervisors of vehicle purchases.
3. Since the Director of Purchasing reports that his Department is not an appropriate agency to review departmental justifications for the purchase of specific vehicles, the proposed ordinance (File No. 97-92-57), which would require the Purchaser to evaluate the necessity for vehicles options or accessories requested by City Departments, is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISOR
BUDGET ANALYST

Equipment Installation. For equipment involving an installation cost, show the estimated cost of such installation in the Line-Item Explanations and indicate whether it will be installed by the vendor, an outside contractor, or a city department. This cost should be included in the price of the equipment.

* Automotive Equipment. Departments must provide an itemized list of all vehicles to the Mayor's Office by December 28, 1991. The list should indicate which vehicles are taken home by employees and whether vehicles are used as a pool.

All General Fund supported departments (or organizational units), with the exception of Fire, Police and Social Services, must submit their requests for additional or replacement automobiles, station wagons, vans or trucks (up to and including 3/4 ton trucks) to the Purchaser on a "Vehicle Request Form" on or before February 1. Central Shops reviews all Vehicle Request Forms for general content and to check whether the vehicle appears to meet the need documented by the department.

A request for an additional vehicle is returned to the department after review. The additional vehicle is included as a line item request in the department's budget.

A request for a replacement vehicle will not appear in the department's budget request, but, if approved by the Purchaser, will be included in the budget for department #91-20-00, Purchasing Vehicle Acquisition. The Purchaser will furnish copies of the Vehicle Request Form to all departments.

Special Fund supported departments (or organizational units within departments) may request additional new and replacement automotive equipment in their own budgets.

All vehicles requested to be replaced will be inspected by the Purchaser's Central Shops. Based on age, mileage and condition, Central Shops will recommend to the Purchaser which vehicles need replacement. The Purchaser will determine after consultation with requesting departments the number and type of vehicles needed for the next fiscal year and will request them in the budget for department #91-20-00.

This procedure will apply to all automotive equipment up to and including 3/4 ton trucks. All requests for trucks over 3/4 ton or heavy, unusual, rolling equipment will continue to be included in each department's own budget.

Procedure for Automotive Equipment Replacement. Section 6 of the Annual Appropriation Ordinance sets forth the procedure for equipment replacement. It is printed here for reference:

... Where appropriations are made herein for the purpose of replacing automotive and other equipment, the automotive equipment replaced shall be surrendered to the Purchaser of Supplies and shall be withdrawn from service on or before delivery to departments of the new automotive equipment. When the replaced equipment is sold, in lieu of being traded in, the proceeds shall be deposited to the unappropriated balance of the related fund. Provided, however, that so much of said proceeds as may be required to effect the purchase of the new equipment is hereby appropriated for the purpose.

Office of the Mayor
SAN FRANCISCO



FRANK M. JORDAN

August 3, 1992

TO: Department Heads
FR: Teresa Serata / Jean Mariani
RE: Parking and vehicle survey

The Mayor's Office is in the process of assessing City-wide policies regarding department employee parking and use of city-owned vehicles. You will find attached a parking and vehicle use survey. Please complete and return to Neal Taniguchi before August 19, 1992.

If you have any questions, please call at 554-6165.

City Vehicle and Parking Survey

The Mayor's Office is in the process of assessing Citywide policies regarding department employee parking and use of city-owned vehicles. To facilitate our assessment, please complete the following short survey:

1. Does your department maintain and operate city-owned vehicles? _____

If yes, How many? _____

Where does the department park its city-owned vehicles?

For each vehicle owned by the department please provide the following information. A list of the automobiles assigned to your department has been provided for your information (if applicable). Please note that this list does not include trucks and vans.

License Number	City ID Number	Year	Model	Number of Miles	Number of Miles / Year	Replacement budgeted for 92-93?	Pooled?	Frequency of Use
-------------------	-------------------	------	-------	--------------------	---------------------------	---------------------------------------	---------	---------------------

Do any department employees take these vehicles home? What is the reason? How Frequent? _____

Please provide a list of the employee positions in your department which are allocated city-owned vehicles and are allowed to take vehicles to and from home.

2. Does your department provide employee parking? _____

Where do your employees park their cars? Pick one:

a) Garage b) Parking lots c) Sidewalk d) Curbside e) other (please specify)

If the department provides parking, please estimate the number of spaces provided. _____

Does your department pay for parking for City-owned vehicles? _____

Does your department pay for parking for employees who drive their vehicles to work? _____

If yes, what is the amount budgeted for parking in 1992-93? _____

What proportion of the total spaces provided is parking purchased by the department? _____

Do any of your department employees use their vehicles for city business?
How many? Please specify _____

Have you ever received complaints about employees parking in the neighborhoods? Explain: _____

Please return this survey to Neal Taniguchi, Room 205, City Hall, before August 19, 1992. Please call at 554-6165, if you have any questions.

NUMBER OF AUTOMOBILES
ASSIGNED TO CITY DEPARTMENTS

Attachment 3

1/29/92

CITY DEPARTMENT LIST

Page 1

Dept no	Dept name	
1	ADULT PROBATION	6
13	ART COMMISSION	10
15	ASSESSOR	0
17	CITY ATTORNEY	3
19	CITY PLANNING	2
21	CIVIL SERVICE	1
23	CONTROLLER	1
31	EMERGENCY SERVICES	1
41	DISTRICT ATTORNEY	30
42	FAMILY SUPPORT BUREAU	3
45	FIRE DEPARTMENT	69
52	YOUTH PARK FOUNDATION	0
56	MAYOR'S COMMUNITY DEVELOPMENT	2
58	PARKING & TRAFFIC CONTROL	17
61	POLICE DEPARTMENT	491
62	OFFICE OF CITIZENS COMPLAINT	4
65	PUBLIC DEFENDER	4
69	SOCIAL SERVICES	55
73	SHERIFF DEPARTMENT	38
79	SUPERIOR COURT	0
81	BOARD OF SUPERVISORS	1
85	JUVENILE COURT	18
87	JUVENILE COURT LOG CABIN	0
93	MOSCONE CONVENTION CENTER	0
96	CAO WASTE MANAGEMENT	1
10	ANIMAL CARE & CONTROL	2
13	ACADEMY OF SCIENCES	6
21	CHIEF ADMINISTRATIVE OFFICE	1
23	CORONER	2
31	DEPT. OF ELECT. & TELECOMM	9
43	PUBLIC ADMINISTRATOR	3
45	DEPT. OF REAL ESTATE	1
55	REGISTRAR	0
61	TAX COLLECTOR	3
65	WEIGHTS & MEASURES/AGRICULTURE	2
11	PURCHASING MAIN OFFICE	5
12	PURCHASING CENTRAL SHOPS	8
13	DPW ARCHITECTURE	9
15	DPW BUILDING INSPECTION	48
17	DPW BUILDING REPAIR	6
20	DPW SUBDIVISIONS, SURVEYS & MAPS	2
21	DPW ENGINEERING	25
22	DPW CONSTRUCTION MGMT.	6
23	DPW GENERAL OFFICE	6
24	DPW PERSONNEL	2
26	DPW WATER POLLUTION CONTROL	6
27	DPW ENVIRONMENTAL REGULATION & MGMT.	2
29	DPW SEWER REPAIR	0
31	DPW STREET CLEANING	1
03	PUBLIC CONSERVATOR	6
13	PUBLIC HEALTH ADMINISTRATION	8

Dept no	Dept name	
531	PUBLIC HEALTH ENVIRONMENTAL CONTROL	33
535	PUBLIC HEALTH CENTERS	4
537	PUBLIC HEALTH MAP PROGRAM	3
551	PUBLIC HEALTH PARAMEDIC SERVICES	0
555	PUBLIC HEALTH LAGUNA HONDA HOSPITAL	6
557	PUBLIC HEALTH GENERAL HOSPITAL	10
567	COMMUNITY MENTAL HEALTH SYSTEM	17
580	PUBLIC HEALTH FORENSIC SERVICES	1
621	FINE ARTS MUSUEM	0
631	PUBLIC LIBRARY	2
651	RECREATION & PARKS	17
653	CANDLESTICK PARK	0
661	UNIFIED SCHOOL DISTRICT	10
669	CITY COLLEGE	6
681	DPW STREET REPAIR	3
682	DPW SIGNAL MAINTENANCE * INACTIVE	0
683	DPW TRAFFIC ENGINEERING * INACTIVE	0
686	DPW LANDSCAPE MAINTENANCE * INACTIVE	0
705	PUBLIC UTILITIES COMMISSION	27
725	AIRPORT COMMISSION	62
735	MUNI RAILWAY	92
745	WATER DEPARTMENT	67
755	HETCH-HETCHY	23
775	PORT COMMISSION	21
785	S.F. HOUSING AUTHORITY	34
	Total:	1,350

Item 7 - File 205-92-3

Note: This item was recessed from the September 26, 1992 Finance Committee Meeting.

1. This is a hearing to consider a "Voluntary Release" program for employees of the City and County of San Francisco as a cost saving item for this year's revised budget.

2. A voluntary release program has been used in the County of Santa Clara for approximately ten years. Known as the Voluntary Reduced Work Hours Program, rules for operation of the Santa Clara program are established in memoranda of understanding with employee bargaining agreements. The purpose of the Program is to reduce work hours and a commensurate amount of pay on a voluntary basis. Key elements of the program are as follows:

- Workers may elect a two and one-half percent (2 1/2%), five percent (5%), ten per cent (10%), or twenty percent (20%) reduction in pay for a commensurate amount of time off for a six (6) month period. Admission to the plan will be at six (6) month intervals - March and September. The parties shall meet and agree upon the beginning date for the Program.
- All persons in the Program will revert to their former status at the end of six (6) months. If a worker transfers, promotes, demotes, terminates, or in any other way vacates or reduces his/her present code (classification), he/she will be removed from the Program for the balance of the six (6) month period.
- Participation in this Program shall be my mutual agreement between the worker and the department/agency head. At no time will approval be given if it results in overtime. Restrictions by Department/Agencies within work units shall be uniformly applied.
- It is understood by the County that due to this Program there may be lower levels of service.
- All workers will be notified in writing regarding the Program specifics and the sign-up options. Such written notice to be mutually agreed upon by the parties.

3. Approximately 500 of Santa Clara County's employees participate in this program (i.e. 3.4% of the total filled positions of approximately 14,800). The program is primarily viewed as an employee benefit, and employees must elect to participate in the program. Managers cannot unilaterally assign reduced work hours in order to reduce spending. Savings due to this program are not included in the Santa Clara County annual budget.

Comments:

1. The Mayor's proposed revisions to the 1992-93 budget include assumed savings from work furlough of certain employees in some of the departmental budgets that are to be reduced. The Budget Analyst is reviewing the Mayor's recommended revisions on a department-by-department basis and will issue a report on the recommended budget revisions on September 24, 1992.

2. The Mayor's Employee Relations Division (ERD) is currently meeting and conferring with union representatives on work furlough issues and a proposed Civil Service rule change that would enable department appointing officers to furlough non-essential employees unilaterally in order to achieve required budget savings.

3. The extent to which a Voluntary Release program would result in additional budgetary savings would depend on the number of employees who would participate in the program and resulting savings that could be achieved over and above current salary savings and work furlough savings now required in various departmental budgets. We therefore cannot estimate such savings at this time.

Item 8 - File 161-92-4.1

Note: This item was recessed at the September 26, 1992 Finance Committee meeting.

Department: San Francisco Redevelopment Agency (SFRA)

Item: Resubmission of the SFRA's Fiscal Year 1992-93 budget to the Board of Supervisors by September 1, 1992 for reconsideration in light of the fiscal impacts to the SFRA and to the City's General Fund that have resulted from the final adoption of the Fiscal Year 1992-93 budget of the State of California.

Description: During its review of the Redevelopment Agency's FY 1992-93 budget in August of 1992, the Board of Supervisors amended the Agency's Budget to require the Agency to resubmit its budget to the Board of Supervisors by September 1, 1992. The Board of Supervisors wanted to reconsider the Agency's budget when the impact on the City from the State budget reductions were known. This item was continued by the Finance Committee because the State budget had not been adopted.

According to the SFRA, State legislation recently passed and signed by the Governor requires Redevelopment Agencies to pass through to the San Francisco Unified School District and the San Francisco Community College District approximately 16 percent of their 1990-91 tax increment revenues. However, the SFRA reports that there are currently varying interpretations as to whether this liability includes property taxes from Redevelopment Project Areas totalling \$1,255,151 already paid to the Districts in FY 1990-91. According to the SFRA, if the liability does not include this amount, the SFRA will have to pay the San Francisco Unified School District and the San Francisco Community College District a total of \$3,168,271. If this amount is reduced by \$1,255,151 for the amounts already provided to these Districts, the remaining liability would be \$1,913,120. According to Mr. Bob Gamble of the SFRA, the amount of either \$3,168,271 or \$1,913,120 represents a one-time obligation that the SFRA is required to pay in May of 1993. According to Mr. Gamble, a list of the Redevelopment Agencies' liabilities will be provided to the SFRA by the State's Director of Finance on October 1, 1992.

Mr. Gamble reports that the SFRA does not at this time know which budget reductions it will take to meet its obligation. As noted above, the SFRA has until May of 1993 to decide which spending reductions to make. However, Mr. Gamble advises

that the SFRA will be making the necessary expenditure reductions sometime during October of 1992.

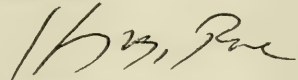
In addition to the State's cuts, the Mayor's Office is requesting that the SFRA postpone half of its debt service from 1992-93 tax increment bonds or \$2.5 million until FY 1993-94. Approximately 87 percent of tax increment revenues used to repay tax increment bonds is General Fund monies. Thus, postponing half of its debt service would result in approximately \$2.2 million in General Fund savings during FY 1992-93 and increase General Fund expenditures by approximately \$2.2 million in FY 1993-94.

Comments:

1. The proposed postponement of debt service payment would act as a no interest loan to the City to be repaid during FY 1993-94.

2. In his message transmitting amendments to meet the City's budget deficit, the Mayor proposed to make adjustments on revenues and reserves in non-General Fund departments (Airport, Port and Redevelopment Agency) totalling \$28 million. The proposed budget amendments transfer \$1.0 million from Port reserves (See Item 1, File 101-92-7). The details relating to the Airport and Redevelopment Agency have not yet been finalized.

Recommendation: Approval of any amendment to the Redevelopment Agency budget is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims

Jean Mariani
Barbara Kolesar
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

REVISEDBudget Revision Summary

Department:

40 Public Utilities Commission

Budget Data

	1992-93 Budget as Adopted	Mayor's Proposed Revisions	Revised Budget as Recommended by the Mayor
Total Expenditures	\$44,206,454	(\$1,517,362)	\$42,689,092
Net General Fund Expenditures	(\$332,256)	(\$1,517,362)	(\$1,849,618)
Department Revenue	0	-	-
Total Authorized Permanent Positions	558	46	512
Funded Positions (FTE)	540	46	494
<i>including permanent salaries, net of salary savings; temporary salaries, overtime, EWW</i>			
Estimated number of layoffs	-	46	

Description of Impact on Services:

The proposed budget reductions for the Public Utilities Commission total \$1,517,362 for the PUC bureaus in personnel and overhead accounts. An additional \$975,000 in reduced costs resulting from a Work Furlough Program is budgeted for the MUNI and the PUC.

PUC - General Manager

	No. of Positions Deleted	Amount
Sub Obj 0010 Misc. Perm Salaries.		
1404 A Clerk	1	\$13,385
1760 A Offset Mach. Operator	1	14,763
1778 A Reproduction Services	1	21,532
1824 A Principal Analyst	1	28,250
8121 A Investigative Protective Services	1	26,136
8221 A Chief, Protection Svcs.	1	39,765
Mandatory Fringe Svgs.		35,841
Obj 109 Security Contract		100,000
Obj 109 Reproduction Contract		50,000
Subtotal PUC - General Mgr.	6	\$329,672

* Grant funded position

DOCUMENTS DEPT.

OCT 01 1992

SAN FRANCISCO
PUBLIC LIBRARY

Impact on Services (According to PUC)

Impairs liaison with outside investigative agencies.

Eliminates maintenance of the Crime Prevention Through Environmental Design (CPTED) computerized security system.

PUC - Finance

	No. of Positions <u>Deleted</u>	<u>Amount</u>	
<u>Sub Obj 0010 Misc. Perm Salaries</u>			
1426 A Sr. Clk Typist	1	\$16,378	
1454 A Exec Secty III	1	19,823	
1656 A Head Accountant	1	26,899	
1675 A Sup. Fiscal Officer	1	33,021	
1824 A Prin. Admin Analyst	2	56,883	
9158 A Asst. Claims Agent	1	39,914	
Mandatory Fringe Svgs		<u>48,230</u>	
Subtotal PUC-Finance	<u>7</u>		\$241,148

Impact on Services (According to PUC)

Delays in audit completions will jeopardize Muni's federal, state, and local grants.

Unable to adequately maintain fixed assets system.

General slowdown in processing accounting documents.

Increased span of control for the General Claims Agent.

PUC - BMIS

	No. of Positions <u>Deleted</u>	<u>Amount</u>	
<u>Sub Obj 0010 Misc. Perm Salaries</u>			
1739 A Computer Operations Supvr. II	1	\$24,361	
1860 A Computer Operations Support	1	22,170	
1877 A Supv Systems Programming	1	36,146	
1880 A Chief of Systems	2	64,927	
Mandatory Fringe Svgs		36,901	
Sub Obj 1240 DP Equipment		<u>50,000</u>	
Total PUC - BMIS	<u>5</u>		\$234,505

Impact on Services (According to PUC)

Delay in implementing Muni's office automation program.

Delay in implementing electronic mail and purchasing requisitions system.

PUC - Utility Engineering

09499 PUC Personnel Fund

	No. of Positions <u>Deleted</u>	<u>Amount</u>
<u>Sub Obj 0010 Misc. Perm Salaries</u>		
1222 A Sr Pay/Pers Clk	1	\$19,512
1404 A Clerk	1	10,256
1426 A Sr Clk-Typist	4	61,304
1446 A Secretary II	4	70,278
1452 A Exec Secty I	1	24,424
1630 A Account Clk	2	35,139
1842 A Management Asst.	1	22,485
1844 A Sr Mgmt Asst	1	23,423
1880 A Chief of Systems	1	39,790
5210 A Sr Civil Engr	1	39,804
5212 A Prin Engr	2	90,909
5238 A Assoc. Electrical Eng.	1	29,993**
9748 A Staff Assistant VIII	2	43,682**
9758 A Staff Assistant XIII	1	51,626**
Mandatory Fringe Benefits		<u>140,656</u>
Subtotal PUC-UEB	23	\$703,281
Subtotal PUC-UEB net of project-funded positions (\$125,301 plus fringe benefits of \$31,319)		<u>(156,620)</u> \$546,661

Impact on Services (According to PUC)

Eliminates 23 positions without affecting the core operations of the Bureau.

** Project funded position

PUC - Personnel

	No. of Positions <u>Deleted</u>	<u>Amount</u>
<u>Sub Obj 0010 Misc. Perm Salaries</u>		
1233 A Affirmative Action Spec	2	\$45,949
1244 A Sr. Pers. Officer	1	29,258
1272 A Sr. Dept. Pers. Officer	1	40,559
1426 A Sr. Clk Typist	1	16,535
Mandatory Fringe Benefits		33,075
Subtotal - PUC Personnel	<u>5</u>	<u>\$165,376</u>

Impact on Services (According to PUC)

Diminished capacity to assist in recruiting, conducting AA/EEO training and processing discrimination complaints.

Reduced capacity to handle examinations for the Water Department and Hetch Hetchy.

Downgrades the level of personnel management assigned to Muni.

TOTAL PUC \$1,517,362

Recapitulation of Proposed Reductions for the PUC

<u>Bureau</u>	No. of <u>Positions</u>	<u>Amount</u>
General Manager	6	\$329,672
Finance	7	241,148
BMIS	5	234,505
Utility Engineering	23	546,661
Personnel	<u>5</u>	<u>165,376</u>
Subtotal, Personnel	46	\$1,517,362

Comments

1. The proposed budget reduction of \$1,517,362 reduction includes contractual savings and Data Processing Equipment in the amount of \$200,000.

2. In addition to the proposed budget reduction of \$1,517,362, the PUC and the MUNI would reduce their budgets in total by \$975,000 through work furloughs. As of the writing of this report, the allocation between the MUNI and the PUC bureaus had not been decided upon. Based on data provided by the PUC indicating furloughs for all MUNI and PUC employees (Option 1 in the Attachment), a one day furlough would amount to a \$750,290 savings of which \$580,690 in salaries and fringe benefits would be borne by MUNI and \$169,600 in salaries and fringe benefits would be borne by PUC, Water Department and Hetch Hetchy. Based on a \$975,000 work furlough program, each employee would be furloughed 1.33 days and the total

\$975,000 would be divided \$754,605 to MUNI and \$220,395 to PUC, Water and Hetch Hetchy. The PUC is also considering other work furlough options that would include a volunteer program and a program that would (1) exempt personnel earning under \$30,000 annually, and (2) exempt transit drivers and any other classifications that received time and a half pay for overtime.

3. In addition to the foregoing budget reductions, the Water Department and Hetch Hetchy would each provide \$2.5 million in equity transfers to the General Fund, for a total of \$5 million. The \$5 million would replace the previously planned Muni service reductions (\$3 million) and Muni fare increases (\$1.5 million) that will now not be implemented. The Water Department and Hetch Hetchy would obtain the \$2.5 million each by cutting previously approved appropriations for major capital projects.

Furloughs	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>
Muni Salaries (non-platform)	\$63,600,377	\$63,600,377	\$63,600,377
New Cuts	(\$906,344)	(\$906,344)	(\$906,344)
Subtotal	\$62,694,033	\$62,694,033	\$62,694,033
Exempt Pos.			
50% of 9139 Transit Sup		(\$4,581,049)	(\$4,581,049)
50% of 9140 and 9141 TM I and II		(\$1,910,541)	(\$1,910,541)
25% of Maint. staff		(\$10,634,539)	
50% of Maint. staff			(\$21,269,078)
Subtotal		\$45,567,905	\$34,933,366
Muni Savings Per day	\$239,290	\$173,923	\$133,333
Bureau Savings per day	\$65,000	\$65,000	\$65,000
Fringe Benefits	\$73,030	\$57,342	\$47,600
Total Savings per Day	\$377,320	\$296,265	\$245,933
		(2)	(3)
Drivers salaries (net)	\$60,000,000		
Drivers savings per day	\$229,008		
Fringe Benefits	\$54,962		
Total Savings- drivers	\$283,970		
Grand total savings per day	\$661,290		
Water	\$64,000		
Hetchy	\$25,000		
Total PUC savings per day	\$750,290		
	(1)		

- (1) Assumes all PUC employees are furloughed and Water and Hetchy savings are transferred to General Fund.
- (2) Assumes all non-driving personnel are furloughed except 25% of maintenance staff and 50% of transit supervisors and transit managers. No Water or Hetchy furloughs.
- (3) Assumes all non-driving personnel are furloughed except 50% of maintenance staff and 50% of transit supervisors and transit managers. No Water or Hetchy furloughs.

REVISED

Budget Revision Summary

Department:

35 Municipal Railway

Budget Data

	1992-93 Budget as Adopted	Mayor's Proposed Revisions	Revised Budget as Recommended by the Mayor
Total Expenditures	\$272,925,479	(\$2,009,134)	\$270,916,345
Net General Fund Expenditures	101,834,278	(2,009,134)	99,825,144
Department Revenue	171,091,201	0	171,091,201
Total Authorized Permanent Positions	3,322	25	3,297
Funded Positions (FTE) <i>including permanent salaries, net of salary savings; temporary salaries, overtime, EWW</i>	3,181.7	24.6	3,157.1
Estimated number of layoffs		25	

Description of Impact on Services:

The Mayor's Proposed Revisions totalling \$ 2,009,134 includes \$1,254,529 in budget cuts to MUNI personnel and overhead costs and \$754,605 in work furloughs for all MUNI administrative staff and transit drivers as follows:

1. Cuts in Personnel and Overhead Costs related to Efficiencies

	No. of Positions	Amount	
Reduce Administration and Management			
<u>Transportation Division</u>			
1844 Senior Management Asst	1	\$25,675	
5289 Transit Planner III	1	27,862	
9139 Transit Supervisor I	0	80,767	
9142 Transit Manager III	0	74,552	
Mandatory Fringe Benefits (25%)		52,214	
Materials and Supplies (Uniforms)		<u>50,000</u>	
Subtotal	<u>2</u>		\$311,070

Engineering and Administration Division

1312	Public Information Officer	1	\$19,960	
9188	Transit Equip Engineer	1	44,131	
5240	Electrical Engineer	1	34,713	
5256	Mechanical Engineer	1	34,713	
5346	Mechanical Eng Assoc I	1	22,916	
5268	Architect	0	16,938	
5354	Electrical Engineer	1	22,916	
5206	Associate Civil Engineer	1	29,976	
Mandatory Fringe Benefits (25%)			<u>56,566</u>	
Subtotal			7	282,829

Maintenance Division

1630	Account Clerk	1	\$15,620	
1840	Junior Management Asst	1	17,861	
1929	Parts Storekeeper	1	19,110	
7329	Elec Main Asst Supervisor	1	33,369	
7409	Elec Tran Svc Worker	2	41,238	
7214	Elec Trans Equip	1	39,385	
7262	Maintenance Painter	1	24,721	
2718	Custodian Supervisor I	1	18,361	
5364	Civil Engineer Associate I	1	22,916	
7390	Welder	1	23,824	
7318	Elect Maintenance Tech	2	62,249	
7441	Tool Room Mechanic	1	15,112	
Overtime			90,975	
Holiday Pay			59,763	
Mandatory Fringe Benefits (25%)			<u>121,126</u>	
Subtotal			14	605,630

Facilities Maintenance Fund	\$55,000	
Subtotal		<u>55,000</u>

Total Efficiency Reductions	<u>23</u>	<u>\$1,254,529</u>
-----------------------------	-----------	--------------------

2. Cuts related to Work Furlough Program

The Mayor has recommended a work furlough program for both MUNI and PUC personnel totaling \$975,000. At this time, the Mayor has not provided any information regarding which positions at MUNI and PUC would be included in the proposed work furlough program for these two departments. However, based on data provided by PUC that would require work furloughs for all MUNI and PUC employees (Option 1 to the Attachment in the PUC Section of this report), a one day work furlough would amount to a \$750,290 savings of which \$580,690 is MUNI salaries and fringe benefits and \$169,600 is PUC, Water Department and Hetch

Hetchy salaries and fringe benefits. Based on a \$975,000 work furlough program, each employee would be furloughed 1.33 days and the total \$975,000 would be divided between MUNI (\$754,605) and PUC, Water and Hetch Hetchy (\$220,395). PUC is also considering other furlough options that would include a volunteer program and a program that would (1) exempt personnel earning under \$30,000 annually and (2) exempt transit drivers and any other classifications that received time and a half pay for overtime.

Comments

1. In the Transportation Division, the elimination of Class 1844 would require additional work to be performed by the unit managers, the elimination of Class 5289 would delay bus stop relocation studies and revenue vehicle acquisition plans, elimination of 3 Class 9139s would reduce special events planning and the elimination of 2 Class 9142s would impair budget preparations and the completion of various reports. The 3 Class 9139s and the 2 Class 9142s would be defunded, but the position counts remain. If funding is available at a later time, Muni plans to request that these salaries be restored.

2. According to MUNI, the impact of the personnel cuts in the Engineering and Administration Division would be minimal. MUNI is expected to transfer some of the positions, including Classes 9188, 5240, 5256, 5346, 5268, 5354 and 5206 to grant funding. Elimination of Class 1312 would reduce the production of schedules, brochures and other printed materials. Funding for Class 5268, Architect would be eliminated, but the position count would remain pending available funding at a later time.

3. The Mayor has identified several new position cuts to the Maintenance Division (Classes 2718, 5364, 7390, 7318 and 7441) which MUNI advises would have only a minimal effect on transit service.

4. An amount of \$50,000 for Materials and Supplies in the Transportation Division relates to the purchase of uniforms for transit drivers. According to MUNI, the payment for uniforms ordered this fiscal year will be deferred until the next fiscal year due to the inability of the uniform contractor to supply uniforms in a timely manner. This deferral of budgeted funds is not expected to have any impact on transit services.

5. The Mayor also recommends budget cuts for overtime totalling \$90,975 and \$59,763 for holiday pay in the Maintenance Division. In addition, there is a \$55,000 transfer from the Facilities Maintenance Fund which is primarily used to work order funds to the Department of Public Works for facility repairs. MUNI advises that such repairs can be deferred until the next fiscal year.

0.25
7
30/92
CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

DOCUMENTS DEPT.

OCT 01 1992

SAN FRANCISCO
PUBLIC LIBRARY

September 30, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendations*
SUBJECT: Budget Hotline

At the request of the Finance Committee, the Budget Analyst has reviewed the responses to the Budget Hotline.

Many of the suggestions related to public jurisdictions other than the City and County of San Francisco, some were illegal or inconsistent with current labor agreements and others were not sufficiently specific. Other suggestions related to increased enforcement of existing laws or imposing new laws to generate more revenues. The following suggestions were identified as having merit in increasing City revenues or reducing the City's expenditures:

Department of Public Health (DPH)

"Eliminate the Chief of Institutional Police at San Francisco General Hospital. A Captain is sufficient."

Position has already been eliminated from the 1992-93 budget.

"Billing for home health visits by the Home Health Agency is not being done adequately and we are losing Medi-Cal reimbursements."

Home Health Agency is being eliminated by DPH in the 1992-93 budget.

"Have the department and the clinics take a week off at Christmas."

This is part of DPH's current proposal.

"SFGH Kitchen department does not need both a Food Director and an Assistant Food Director. One of the chefs could do this job."

The Department is proposing to delete 2 administrative positions in SFGH's food service operations.

"Eliminate duplication in mental health clinics."

DPH is proposing to close three clinics and consolidate the remaining clinics.

"One or two centralized people should take the Health Center referrals and divide them up, rather than having people perform this tasks at each of the centers."

The Health Department has began centralizing referral functions starting with HIV referrals.

Police Department

"Go back to 5-day 8-hour shifts instead of 4-day 10-hour shifts. Save \$6 million."

This recommendation will save money only if the number of officers employed by the Department is actually reduced.

"Eliminate free cars for Captains, on up and free gas for Captains, on up. Saves the time of officers who fetch the gas for Captains. Cops who live out of town should pay their own way."

The Budget Analyst has requested a copy of the Police Department's "take home list." The Department is preparing the list for the Budget Analyst. There is apparently no Department-wide policy regarding the assignment of vehicles to personnel on an around-the-clock basis. Rather, decisions are made by the Chief and Deputy Chiefs on a case-by-case basis.

The Finance Committee could request that the Chief of Police provide a rationale and explanation for assignment of vehicles.

"Combine 9 District Police Stations"

The Budget Analyst agrees and has previously made such a recommendation. A Charter Amendment is required.

Fire Department

"Eliminate drivers for fire captains and other brass."

The Budget Analyst has recommended the elimination of the Chief's Aides positions that are essentially drivers for Fire Department officers since performing a management audit of the department over ten years ago. Elimination of the 56 positions would save approximately \$4.2 million annually.

All Departments

"Establish a voluntary Time Off Program."

Such programs are presently being considered by the Finance Committee.

"Have all employees take four days off without pay."

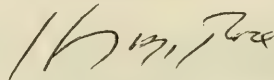
Mandatory employee furlough programs are being proposed by various departments and the Budget Analyst is in the process of determining the effect of a City-wide furlough program for all nonessential employees.

"Don't let employees take City cars home."

This suggestion would reduce automobile acquisition, maintenance and fuel and lubricants costs. Related legislation on the use of City-owned cars is presently being considered by the Finance Committee.

"No Free Fast passes to City Employees."

MUNI issues free passes to MUNI & PUC employees, retirees and dependents of MUNI drivers. MUNI reports that 7,621 free passes are currently issued. Based on a \$32 value for an adult monthly fast pass and a \$5 value for a discount monthly fast pass for seniors and youths, the monthly value of these 7,621 passes is \$182,339 and the annual value of these 7,621 passes is \$2.2 million.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

0.25
1/92

PLEASE NOTE THAT MEETING
WILL BEGIN AT 3:00 P.M.

CALENDAR

SPECIAL MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT

OCT 01 1992

SAN FRANCISCO
PUBLIC LIBRARY

THURSDAY, OCTOBER 1, 1992 - 3:00 P.M.

LEGISLATIVE CHAMBER
2ND FLOOR, CITY HALL

MEMBERS: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

1. File 100-92-8. Hearing to consider what City property might be sold or leased to help address the fiscal emergency. (Supervisor Migden)

ACTION:

FINANCE COMMITTEE
BOARD OF SUPERVISORS
ROOM 235, CITY HALL
SAN FRANCISCO, CA 94102

**IMPORTANT
HEARING NOTICE**

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

DOCUMENTS DEPT.

OCT 01 1992

SAN FRANCISCO
PUBLIC LIBRARY

September 30, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendations*
SUBJECT: October 1, 1992 Special Finance Committee Meeting

Item 1 - File 100-92-8

This item is a hearing to consider what City property might be sold or leased to help address the fiscal emergency.

The attached listing compiled by the Department of Real Estate in May, 1991 provides a summary of potential surplus properties for the City and County of San Francisco. The Budget Analyst has also requested that the Public Utilities Commission provide additional information regarding the Water Department's City of Pleasanton property. The preliminary estimated value of the properties included in the attachment (where Real Estate could estimate the value) ranges from \$76,000,000 to \$143,675,000.

Mr. Harry Quinn of the Real Estate Department reports that in addition to the attached summary of properties, the following parcels may potentially become surplus properties to the City:

<u>City Department</u>	<u>Location</u>	<u>Area</u>	<u>Preliminary Estimate of Value</u>
Water Department	Olympic Club	17.35+ acres	\$2.2 million
Public Works	5 Locations	Small Irregular Parcels	\$50,000

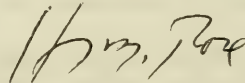
According to Section 7.401 of the City's Charter, any real property owned by the City and County, except park property, may be sold based on the recommendation of the respective commission or officer that is responsible for the property. The Board of Supervisors must then, by ordinance, authorize the sale and request the Director of Property to make a preliminary appraisal of the property. The Director of Property must publicly advertise the proposed sale and report to the responsible department and the Board of Supervisors regarding all bids received. The

Board of Supervisors may authorize the acceptance of the highest and best offer if the offer is at least 90 percent of the preliminary appraisal, or may, by ordinance, direct that the property be sold at public auction.

Section 7.402 of the Charter specifies that when the head of any department reports to the Board of Supervisors that certain land is not required for the purposes of the department, the Board of Supervisors may also authorize, by ordinance, the lease of such property.

According to Mr. John Madden of the Controller's Office, the proceeds from the sale of any property is deposited in the City's Real Property Fund. In accordance with Section 6.409 of the Charter, these funds shall, if required, be appropriated by the Board of Supervisors for the purchase of additional land for the use by the same department. Otherwise, the proceeds shall be appropriated by the Board of Supervisors for the purchase of additional property for any City and County purpose or for capital improvements. The 1992-93 budget includes \$4,358,000 of General Fund monies for capital improvements. Proceeds from the sale of City land could be appropriated for such General Fund capital improvement purposes, thus enabling the reappropriation of existing General Fund capital improvement funds for other purposes.

However, proceeds from the sale of property acquired for the use of any utility (e.g., Water Department), bond, special or trust fund must revert to the specific utility, bond, special or trust fund.


Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

City and County of San Francisco

Real Estate Department

Office of the
Director of Property

May 1, 1991



THROUGH: Rudolf Nothenberg
Chief Administrative Officer

Supervisor Jim Gonzalez
Board of Supervisors
Room 235 City Hall
San Francisco, CA 94102

Dear Supervisor Gonzalez:

This is in response to your request that we provide you with a preliminary estimate of value for certain properties that may be under-utilized and potentially surplus to the needs of the City. The attached chart gives a brief summary of these selected properties along with our preliminary estimate of value.

These value estimates were achieved by making a number of assumptions, such as, approval to rezone from "Public" to a zoning which would allow private commercial development. In other cases, assumptions were made as to soils condition/toxic remediation.

The value of some of the sites could not be estimated due to the lack of critical information, and this has been so indicated.

I wish to reemphasize that this information is preliminary and subject to revision.

Sincerely,

A handwritten signature in dark ink, appearing to read "Anthony J. DeLucchi".

Anthony J. DeLucchi
Director of Property

AJD:ek/1249

Attachment

CITY & COUNTY OF SAN FRANCISCO

SUMMARY OF POTENTIAL SURPLUS PROPERTIES

ADDRESS/LOT	AREA (Sq. Ft.)	CONTINGENCY (Sq. Ft.)	DESCRIPTION	REMARKS	PRELIMINARY ESTIMATE OF VALUE	
137	113.41	2/30-3 or C-2	1301 Stockton	Kirkland - Presently used for Bus Storage. Potential hotel or condo site.	\$17 - \$15 M. Value can be estimated depending on the cost of toxic clean-up. Potential for future development. Value assumes re-zoning to C-2 or C-3.	
201.13	10.98	2/C-3-0	SW Washington/Drum Street	Presently used as a sewer pump station but will be abandoned in near future, excellent for small office building.	\$2 - \$2.75 M. Assumes change in zoning from C-3-0 and no toxic clean-up cost.	
215	3.30	NCD/NCD	16-3 Pacific Ave.	Inactive fire station. Presently used for storage.	\$300,000 - \$400,000 Station is a designated landmark.	
ART COMMISSION	16.1	2/RMS	1140 Fillmore	Former power station. Designated historical building. Very expensive to seismically reinforce.	-0- Cost to seismic and preserve the building can create a negative value.	
201.1	235,500	2/RM	949 Presidio	Potential mixed use development opportunity.	Value cannot be estimated until it is determined which portion of the site is available for development and the proposed number of residential units.	
FIRE	1213.20	NC-2/MC-2	1152 Oak Street	Inactive fire station. Presently used for storage.	\$150,000 - \$200,000	
WATER DEPT.	3136/1 (2m.)	2/RH-1	NW Ocean & Phelan No. 6 So. Balboa Reservoir	So. Basin declared surplus. Excellent site for residential development. Conflict between Community College and residential development.	\$1 - \$7 M. Highly speculative. Previous housing development proposals have been defeated by various entities. Assumes change in zoning from 2 to RS-1.	
FIRE	3704/6	3,625	2/C-3-G	416 Jessie Street	Active fire station that may be relocated to Howard Street.	\$150,000 - \$250,000 This value estimate reflects cost to demolish the building. Assumes change in zoning to C-3-G.
WATER DEPT.	3777/52	59,812	2/SIX	SE Bryant/275 SW 4th Street	Bryant St. Pipeyard. Presently used for storage. Would provide good commercial development opportunity.	\$2 - \$3.6 M. Subject to change in zoning from "RM" to "SLT". Assumes no toxic clean-up cost.
FIRE	4108/1 (2m.)	5,000	4-2/M-2	909 Tennessee St.	Inactive fire station. Presently used for storage.	\$150,000 - \$200,000
MUNI	4-13.1	80,000	2/NCD	2348 24th Street	Present use: Muni Garage. Proposed site for parking garage and retail commercial opportunity.	\$2.5 - \$3.2 M. Assumes re-zoning from "RM" to "NCD". Value estimate may be reduced to reflect the toxic clean-up cost. This site is attractive for off-street parking garage.
AGRICULTURE	5731 to 5734	173.15	NC-5/RM	100 Alameda Blvd.	Farmer's Market Air Rights provide potential residential development.	Value cannot be estimated until the cost of the airport placenta is determined. Proposed lot size and moderate rental housing.
WATER DEPT.	5973	2.1 ac.	RM-1	NE University/Tool Bay	Vacant site suitable for market rate single family residential development.	\$700,000 - \$1 M. Value estimate reflects the estimated cost of removing unstable soil material, grading and compacting.
WATER DEPT.	715151	155 ac.	Agricultural/Planned Dev.	Intersection of 1-580 & Bernal Ave.	Plasanton Property. Specific plan being developed.	\$30 - \$100 M. The higher range of value assumes an approved development agreement with the city for Plasanton.
WATER DEPT.	76-17-12	2.1 ac.	Agricultural/Residential	Path of Water Dept. Parcel 35 near San Joaquin Co.	Official development site due to topography and septic. Declared surplus by DUC.	\$10,000 - \$25,000 One water lot.
ADDITIONAL	San Mateo Co.	400 ac.	Agricultural/Industrial	West of Bayshore Freeway	Environmental review currently on "Garter Snake Habitat". Road location severely constrained by vehicular access.	Value cannot be estimated at this time. Environmental review is in progress.

Subject

CITY AND COUNTY



OF SAN FRANCISCO

October 5, 1992

TO: Finance Committee
FROM: Controller and Budget Analyst
SUBJECT: Joint Report on Finance Committee's Recommendations for Amendments of the Mayor's Revised 1992-93 Budget

The following is a recap of the status of budget revisions related to the \$93 million deficit in the 1992-93 budget:

1992-93 Budget Recap

Budget Deficit (\$93,000,000)

Add:

Budget Revisions at Board October 5, 1992:

Retirement Savings 32,700,000

Departmental Reductions:

Public Health	\$7,774,000
Public Utilities - Muni	2,907,000
Social Services	3,236,000
Police	255,000
Fire	206,000
Other	<u>7,008,000</u>

Total Departmental Reductions 21,386,000

Reduced Board of Supervisors Reserves \$986,000

Revenue Transfers In 4,550,000

New Revenues 3,600,000

Total Reserves, Transfers & New Revenues 9,136,000

Net (29,778,000)

Actions Pending:

Airport Loan	\$25,000,000	
PUC Equity Transfers	5,000,000	
Sale of Water Olympic Club Property	<u>2,200,000</u>	
Total Actions Pending		<u>32,200,000</u>

Net Additional General Fund Reserve Balance \$2,422,000

Beginning General Fund Reserve Balance 6,700,000

Ending General Fund Balance \$9,122,000

On September 18, 1992, the Mayor submitted amendments to the 1992-93 Annual Appropriation Ordinance and the Annual Salary Ordinance which reduced expenditures of various General Fund budgets of the City, adjusted revenues to reflect current estimates and accounted for the State's revenue reductions to the City. The net effect of the Mayor's proposed amendments to the City's Fiscal Year 1992-93 budget still resulted in a budget deficit of \$28,657,778. In addition, proposed transfers from the Airport of \$25,000,000 and the Public Utilities Commission of \$5,000,000 would eliminate the deficit and increase the General Fund Reserve by \$1,342,222. Subsequently, during the Finance Committee's deliberations over the last week the Finance Committee:

Approved Amendments to the Mayor's Proposed Budget, Including Reductions in Expenditures and Reserves and Revenue Increases and Transfers

Accepted Recommendations of the Budget Analyst to Reduce Expenditures and Increase Revenues of the Municipal and Superior Courts. \$ 868,073

Accepted Recommendation of the Budget Analyst To Reduce the Budget For a Clerical Error in the Municipal Railway's Clean On Time Program 183,901

Approved the increase in an additional proposed PUC transfer pending sale of the Olympic Club property. 2,200,000

Approved deletions and reductions in reserves which were previously approved by the Board of Supervisors as follows:

Deleted Police Academy Reserve	\$350,000
Deleted Sheriff - Alternative Treatment Reserve	399,675
Partially Reduced Reserve For Free Admission At The Zoo For Children	146,000
Partially Reduced Library Sunday Hours Reserve	90,000
Reduced General Reserve \$10 million to \$9 million)	<u>1,000,000</u>
Total Reserve Reductions	<u>\$1,985,675</u>
Additional Funding Sources	\$5,237,649

Approved Amendments to the Budget To Restore the following reductions made by the Mayor in the Department of Public Health

• Close One Psychiatric Ward (20 Beds)	(\$1,826,669)
Reduction in Substance Abuse Detox and Outpatient Services	(623,335)
•Reduction in various Community Public Health Programs	(420,688)
•Reduction in various Community Mental Health Programs	(869,488)
•Eliminate Funding For Center For Positive Care and Implement a Modified Model At Other Locations	(898,000)
•Eliminate Provision Of All Over-the-Counter (OTC)Medications at the Jail, which would have made OTC Medications Available At Jail Commissary	(22,500)

•Eliminate 1.0 FTE Staff Assistant
for Mission Bay/Hunter's Point
Oversight In Toxics, Health and
Safety Services (44,548)

•Reduce Paramedics by taking one
Ambulance Off the Street (291,667)

•Reduce AIDS Mass Media/Materials
and Supplies (102,500)

•Consolidate Nutrition and Dietary
Education Services (70,000)

Total Department of Public Health Restorations
Recommended by the Finance Committee (\$5,169,395)

**Restoration in Other Departments Recommended by
Finance Committee**

Restore Full Funding For School Crossing Guards in
the Police Budget (250,000)

Restore Full Funding For Seven Police Dispatcher
Positions (240,000)

Restore One 2458 Forensic Toxicologist Position in
the Coroner's Budget (52,903)

Restore One Affirmative Action Specialist in the
Public Health Central Office Budget (28,000)

Restore Funding For Center For Municipal
Occupational Safety and Health (CMOSH) (58,000)

Restore One 9158 Assistant Claims Agent For the
Public Utilities Commission (48,196)

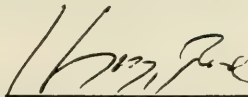
Restore One 8221 Chief, Protection Services Position
(Without Funding) in Public Utilities Commission 0

**Mayor's Recommended Restorations Accepted by
Finance Committee**

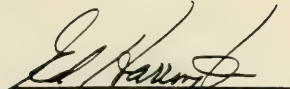
Restore Part of the \$190,000 Savings From the Proposed Transfer of the Zoo's Management To the Zoological Society.	(\$123,000)
Reduce Salary Savings To Enable The City Planning Department To Staff the Construction Service Center	(166,000)
Establish a Reserve For the Implementation of the County Veteran Service Office	(100,000)
Establish a Reserve For the Department of Social Services to Establish a Rep-Payee Program and Enhancement of Social Services Associated With the General Assistance and SSI Programs.	(217,000)
Restore Funding To Animal Control For An Appropriation Not Carried Forward	<u>(5,400)</u>
Total Restorations	(\$6,457,894)

Summary

Increase in the General Fund Reserve As Recommended by the Mayor	\$1,342,222
Proposed Additional Funding Sources	
As Recommended by the Finance Committee	5,237,649
Less Restorations Recommended by the Finance Committee	<u>(6,457,894)</u>
Additional Monies Available for General Fund Reserve	\$121,977
Prior Balance of General Fund Reserve	<u>9,000,000</u>
Balance of General Fund Reserve	<u>\$9,121,977</u>



Harvey M. Rose
Budget Analyst



Ed Harrington
Controller

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Mayor Jordan
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

amortization of retirement
from 20 to 25 years -
dropped \$22 million

legalization of in-laws
delayed \$15 million

\$37 million

no loan, no equity grant

37.7 million

\$32 million reversed accelerated payment.

Not paying \$32 million means

- less due this year
- somewhat less next year
- but # of years to pay out is same
- and \$32 million will eventually be "paid back."

Stretch amortization

- adds years to pay-out
- creates annual savings throughout instead of one-time savings
- would not require "pay-back."

5/10.25
#2
10/7/12

CALENDAR - Action Taken

MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, OCTOBER 7, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ AND MIGDEN

DOCUMENTS DEPT.

ABSENT: SUPERVISOR HALLINAN

OCT 13 1992

CLERK: GAIL JOHNSON

SAN FRANCISCO
PUBLIC LIBRARY

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

- (a) File 23-92-7. [Claims Against the Government] Resolution waiving the Statute of Limitations with respect to payment of seven certain warrants of the City and County of San Francisco, in an amount totalling \$2,076.43 legal obligations of the City and County of San Francisco. (Controller)

ACTION: Amended on lines 3 and 16, by replacing "\$2,076.43" with "\$1,103.45". Further amended by deleting line 15. Recommended as amended. New title: "Waiving the Statute of Limitations with respect to payment of certain warrants of the City and County of San Francisco, in the sum of \$1,103.45, legal obligations of the City and County of San Francisco."

- (b) File 25-92-32. [Contracting Out City Services] Resolution approving the Controller's certification that Airport Information Booth Program for San Francisco International Airport can practically be performed by private contractor at a lower cost for this program than if work was performed by City employees at presently budgeted levels. (Airports Commission)

ACTION: Recommended.

- (c) File 28-92-10. [Emergency Repair] Resolution authorizing the Director of the Department of Public Works to take necessary measures to protect the health, welfare and property of the citizens of San Francisco by performing the necessary work to replace the damaged sanitary line serving the San Francisco Zoo's Terrace Cafe. (Department of Public Works)

ACTION: Amended on line 10, by replacing "15-inch" with "5-inch". Further amended on line 20, by replacing "estimated at \$35,000" with "\$33,412". Recommended as amended.

- (d) File 146-92-26.1. [Grant – Federal Funds] Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a continuation grant of \$470,440, which includes indirect costs of \$39,291, based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding the evaluation and enhancement of HIV/AIDS Prevention Street and Community Outreach Programs that serve youth in high-risk situations project (also known as the Youth Scope Project); providing for ratification of action previously taken. (Department of Public Health)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing the Department of Public Health, AIDS Office, to accept and expend a continuation grant of \$470,440, which includes indirect costs of \$39,291, based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding the evaluation and enhancement of HIV/AIDS Prevention Street and Community Outreach Programs that serve youth in high-risk situations project (also known as the Youth Scope Project); providing for ratification of action previously taken; placing \$109,159 on reserve."

- (e) File 146-92-41.1. [Grant – Federal Funds] Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a continuation grant of \$1,444,565, which includes indirect costs in the amount of \$158,044 based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding the Epidemiologic Research Studies of the Natural History of HIV/AIDS and HIV Incidence in Homosexual/Bisexual Men Recruited from the San Francisco Sexually Transmitted Disease Clinic (formerly known as the Epidemiologic Study of the Natural History of HIV/AIDS in Homosexual/Bisexual Men Previously Enrolled in Studies of Hepatitis B Infection). (Department of Public Health)

ACTION: Recommended.

- (f) File 146-92-67. [Grant – Federal Funds] Resolution authorizing the Department of Public Health, Bureau of Epidemiology and Disease Control, Division of Tuberculosis Control, to apply for a grant of \$2,453,034, which includes indirect costs in the amount of \$244,869 based on twenty percent of salaries, from the Department of Health and Human Services, Centers for Disease Control, for the continuation of the following programs; Tuberculosis Prevention and Control/Elimination, and the HIV Related TB Prevention Program. (Department of Public Health)

ACTION: Recommended.

- (g) File 146-92-68. [Grant – Private Funds] Resolution authorizing the Department of Public Health, Homeless Program, to apply for, accept and expend a grant of \$100,000, from Comic Relief, for health services for homeless; providing for ratification of action previously taken; waiving indirect costs. (Department of Public Health)

ACTION: Recommended.

- (h) File 203-92-1. [Acceptance of Deed] Resolution authorizing acceptance of a deed from Progress Seven, Inc. of Lot 5 (portion) in Assessor's Block 4711 public roadway purposes and finding such action is in conformity with the Master Plan. (Real Estate Department)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing acceptance of a deed from Progress Seven, Inc. of Lot 5 (portion) in Assessor's Block 4711 for public roadway purposes and finding such action is in conformity with the Master Plan; requesting the Director of Public Works to propose acceptance of the roadway as a public street, if the street work is completed to the satisfaction of the Director of Public Works."

- (i) File 143-92-4. [OCJP Funding] Resolution authorizing the Chief of Police of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$500,000 made available through the Office of Criminal Justice Planning for a project entitled "Operation Revitalization". (Mayor)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing the Chief of Police of the City and County of San Francisco to apply for and accept, retroactively, and to expend funds in the amount of \$500,000, which includes indirect costs of \$25,000 based on 5 percent of the total grant award, made available through the Office of Criminal Justice Planning for a project entitled 'Operation Revitalization'."

- (j) File 38-92-22.1. [Release of Funds] Requesting release of reserved funds, Chief Administrative Officer, in the amount of \$20,000, for financial advisory services (contractor Evenson Dodge, Inc, and joint venture partner, Charles A. Bell Securities). (CAO)

ACTION: Release of \$20,000 recommended. Filed.

- (k) File 146-92-2.1. [Release of Funds] Requesting release of reserved funds, Department of Public Health – Management Information Systems, in the amount of \$10,979, for the C.H.I.R.N. Project, computer equipment. (Department of Public Health)

ACTION: Release of \$4,239 recommended. Filed.

REGULAR CALENDAR

2. File 97-92-58. [Renaming Civic Auditorium] Ordinance amending Administrative Code by adding Section 4.21 to name the Civic Auditorium for Bill Graham. (Supervisor Gonzalez)

ACTION: Recommended. (Supervisor Migden added as co-sponsor.)

3. File 97-92-40. [Veterans Affairs Officer] Ordinance amending Administrative Code by adding Section 5.108.A to establish a County Veteran Service Officer within the Office of the Chief Administrative Officer. (Supervisor Gonzalez)
(Transferred from City Services Committee 9/15/92 – Fiscal Impact)

ACTION: Continued to the Call of the Chair.

4. File 188-92-1. Hearing to consider the fiscal impact of the 1987 contracts with Pacific Gas and Electric and the Modesto and Turlock Irrigation Districts for the purchase and sale of Hetch Hetchy water. (Supervisor Migden)

ACTION: Continued to October 21, 1992, meeting.

5. File 42-92-25. [Street Closing] Resolution waiving the requirement that the sponsor of the Annual Halloween street closing in the Castro Street area provide insurance and waiving all fees except for the street closure permit fee and the loudspeaker permit filing fee. (Supervisor Britt)

ACTION: Continued to October 14, 1992, meeting.

6. File 51-92-2. Transmitting claims of employees, various departments, for reimbursement for personal property damaged and/or stolen in the line of duty. (Various)

April, May, June 1992

ACTION: Continued to October 14, 1992, meeting.

7. File 47-92-5.1. [Reject/Award Management Bid] Resolution rejecting bid of B. L. Hom Corporation in response for bids for management contract at Polk/Bush Garage and awarding said bid to City Parking as the lowest, responsive and responsible bidder. (Real Estate Department)

ACTION: Recommended.

8. File 64-92-23. [Lease of Property] Resolution authorizing lease of real property from the Department of the Navy for use by the Police Department, Narcotics Division (warehouse space in Building 128 at Hunters Point Annex) for storage of confiscated automobiles. (Real Estate Department)

ACTION: Amended on line 3, after "department", by adding "retroactive to July 1, 1992". Recommended as amended. New title: "Authorizing lease of real property from the Department of the Navy for use by the Police Department, Narcotics Division (warehouse space in Building 128 at Hunters Point Annex) for storage of confiscated automobiles; retroactive to July 1, 1992."

9. File 198-92-2. [Fees – Municipal Court] Resolution establishing a fee to cover administrative and clerical costs of processing installment accounts for the payment of fines imposed by the Municipal Court in criminal and traffic cases pursuant to Penal Code Section 1205(d). (Municipal Court)

ACTION: Recommended.

10. File 65-92-13. [Lease] Ordinance approving lease between Recreation and Park with Theatre Bay Area to operate a discount ticket booth at Union Square Garage. (Recreation and Park Department)

ACTION: Continued to October 14, 1992, meeting.

11. File 97-92-56. [Environmental Review Fees] Ordinance amending Administrative Code by amending Section 31.46A, concerning fees for zoning and public information, and construction services related to development projects and permit processing. (Department of City Planning)

ACTION: Recommended.

12. File 115-92-11. [Planning Fees] Ordinance amending City Planning Code by adding new Section 374 and renumbering Section 374 of Article 3.5A, to impose new fees for zoning and public information, construction services and compliance activities related to development projects and permit processing. (Department of City Planning)

ACTION: Amended on page 1, lines 3, 13, 14, 16 and 24, by replacing "374" with "371"; and on page 1, line 24, by replacing "375" with "372". Further amended on page 1, at the end of line 23, by adding: "For building permit applications requiring Department of City Planning review, the fee shall be charged and collected by the Central Permit Bureau." Recommended as amended. New title: "Amending City Planning Code by adding new Section 371 and renumbering the previous Section 371 to Section 372 of Article 3.5A, to impose new fees for zoning and public information, construction services and compliance activities related to development projects and permit processing."

13. File 173-92-3. [Marine Terminal Use Agreement] Ordinance approving a five year Marine Terminal Use Agreement with National Shipping Corporation of the Philippines for use of the North Container Terminal (Pier 80). (Port)

ACTION: Recommended.

14. File 28-92-11. [Airport Administration] Resolution approving a declaration of emergency, emergency environmental services at Roads 18 and 9, Airport Contract No. 3200, San Francisco International Airport - \$150,000. (Airports Commission)

ACTION: Recommended.

15. File 82-92-8. [Property Acquisition - Noise Easements] Resolution authorizing the acquisition of fifty-three additional noise easements in the City of South San Francisco in their Phase VI Program - \$500,000. (Real Estate Department)

ACTION: Recommended.

16. File 170-92-11. [Airport Revenue Bonds] Resolution approving the issuance of not to exceed \$305,000,000 principal amount of San Francisco International Airport Second Series Refunding Revenue Bonds in up to three separate issues, and establishing a maximum interest rate therefor. (Airports Commission)

ACTION: To Board Without Recommendation.

0.25
CITY AND COUNTY



Public Library, Documents Dept.
OF SAN FRANCISCO *ATTN: Gerry Roth*

92
BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

October 5, 1992

TO: *///* Finance Committee

FROM: *///* Budget Analyst *Recommendations*

SUBJECT: *///* October 7, 1992 Finance Committee Meeting

DOCUMENTS DEPT.

OCT 07 1992

SAN FRANCISCO
PUBLIC LIBRARY

Item 1a - File 23-92-7

Department: Controller's Office

Item: Resolution waiving the statute of limitations with respect to payment of seven warrants of the City and County of San Francisco in the sum of \$2,076.43, legal obligations of the City and County of San Francisco.

Description: According to Section 10.181 of the San Francisco Administrative Code, a warrant issued by the City and County of San Francisco becomes void one year from the date issued. The payee of the warrant may present such warrants to the Controller for payment up to three years from the date that it was considered invalid, or four years from the original issue date. After that point, the Controller may no longer pay such warrants because the statute of limitations has expired, unless approval is obtained from the Board of Supervisors.

The proposed resolution would waive the statute of limitations and would authorize the Controller's Office to replace the following warrants:

<u>Name</u>	<u>Date Issued</u>	<u>Warrant No.</u>	<u>Amount</u>
Donald F. Badaracco	4/1/80	545-0035468	\$104.70
Donald F. Badaracco	1/15/88	550-2420293	332.80
Mabel S. Wong	9/23/80	566442	405.40
Suzie Chow	12/27/83	515-3948420	21.04
Suzie Chow	12/27/83	515-3957806	129.51
Allan V. Erese	2/4/87	560-1045564	110.00
Lynn H. Kephart	1/13/89	550-2599944	<u>972.98</u>
Total			\$2,076.43

Comments:

1. The Controller's Office reports that the warrant issued to Ms. Lynn H. Kephart was erroneously included in this proposed legislation. As noted above, this warrant was issued 1/13/89, less than four years ago, which means the statute of limitations has not expired. Since the statute of limitations has not expired, the Controller's Office is still authorized to make payment on this warrant without the approval of the Board of Supervisors. Therefore, the proposed legislation should be amended to (1) delete reference to Warrant No. 550-2599944 in the amount of \$972.98 and (2) change the total sum of the warrants from \$2,076.43 to \$1,103.45 (\$2,076.43 minus \$972.98), in the body and title of the legislation.

2. The Controller's Office advises that Ms. Mabel Wong, Ms. Suzie Chow and Mr. Allan Erese each reported that they misplaced their warrant(s) until recently and never cashed their warrant(s). Each of these individuals has requested that the warrant(s) be reissued. According to the Controller's Office, Mr. Donald Badaracco is now deceased. His son has requested that the two warrants, which have never been cashed, be reissued.

3. The Controller's Office has verified that the above noted warrants have been cancelled. Mr. John Madden of the Controller's Office has verified that none of these warrants have been cashed.

4. According to the Controller, the City and County of San Francisco has sufficient funds to pay the six warrants totalling \$1,103.45. The Controller advises that, when a warrant is automatically cancelled after three years have passed, the monies revert back into the particular accounts from which they were drawn.

5. According to Mr. Ted Lakey of the City Attorney's Office, a legal obligation is not necessarily a mandated obligation.

BOARD OF SUPERVISORS
BUDGET ANALYST

- Recommendations:** 1. Amend the proposed legislation to (1) delete reference to Warrant No. 550-2599944 and (2) change the total sum of the warrants from \$2,076.43 to \$1,103.45 (\$2,076.43 minus \$972.98), in the body and title of the legislation.
2. Approve the proposed resolution as amended.

Item 1b - File 25-92-32

Department: Airports Commission

Item: Resolution approving the Controller's certification that the Airport Information Booth Program for San Francisco International Airport can be performed by private contractor at a lower cost than if similar work were performed by City employees.

**Services to be
Performed:**

The Airport Information Booth Program for San Francisco International Airport consists of three information booths (one in each Airport terminal) providing transportation, tourist and Airport information to visitors. The booths are open from 8 am to 12 midnight every day of the year, and provide services in over 144 languages to approximately 4,000 travellers per day at each.

Description: The Controller has determined that contracting for the Airport Information Booth Program services in Fiscal 1992-93 would result in estimated savings as follows:

	<u>Lowest Salary Step</u>	<u>Highest Salary Step</u>
<u>City Operated Service Cost</u>		
Salaries (18 FTE)	\$627,814	\$757,669
Employee benefits	223,651	277,424
Operating Expenses	<u>236,297</u>	<u>236,297</u>
Total	\$1,087,762	\$1,271,390
 <u>Contracted Service Cost</u>		
Polaris Research and Development	<u>\$949,999</u>	<u>\$949,999</u>
Estimated Savings	<u>\$137,763</u>	<u>\$321,391</u>

Comments:

1. According to the Airports Commission, the Information Booth Program was first certified as required by Charter Section 8.300-1 in 1990 and has been provided by the same outside contractor since October of 1990.

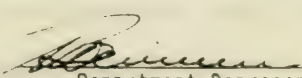
2. The Airport is currently contracting with Polaris Research and Development for the provision of these information services. This represents the third year of a five year contract. Polaris Research and Development is registered with the Human Rights Commission as an MBE firm. The Airport reports that the Airport Information Booth Program will be bid competitively every five years.

3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached.

Recommendation: Approve the proposed resolution.

CHARTER 8.300-1 (Proposition J) QUESTIONNAIREDepartment SFIA OperationsFor Time Period October 15, 1992/
October 14, 1993Contract Services Airport Information (AI) Booth Program

- 1) Who performed services prior to contracting out?
These services were approved by the Airports Commission on November 21, 1989, through Resolution #89-0219, and have been performed in an exemplary manner by Polaris Research and Development since October 15, 1990 to present.
- 2) Number of City employees laid off as result of contracting out?
None (See #1)
- 3) Explain disposition of employees if they were not laid off.
N/A (See #1)
- 4) What percent of a City employee's time is spent on services to be contracted out?
N/A (See #1)
- 5) How long have the services been contracted out?
Two years, from October 15, 1990 through October 14, 1992.
- 6) What was the first fiscal year for a Proposition J Certification?
Fiscal Year 1990 - 1991
- 7) How will contract services meet the goals of your MBE/WBE Action Plan?
This contract has been awarded to an MBE firm. It has adhered to the City's non-discrimination ordinance of Chapter 12B, 12C and 12D of the San Francisco Administrative Code.


Department Representative
Duke Briscoe, Deputy Director
Operations

Telephone: (415) 876-2112

Item 1c - File 28-92-10

- Item:** Resolution authorizing the Department of Public Works to take necessary measures to protect the health, welfare, and property of the citizens of San Francisco by performing the necessary work to replace the damaged sanitary line serving the San Francisco Zoo's Terrace Cafe.
- Description:** In May, 1992, the Department of Public Works was asked by the San Francisco Zoo to undertake emergency repairs to a sanitary line serving the Zoo's Terrace Cafe and certain public restrooms at the Zoo. The sanitary line failed due to corrosion, preventing drainage from the Terrace Cafe and the public restrooms. The failure of the sanitary line resulted in closure of the Terrace Cafe and the public restrooms for approximately 3 weeks during the month of May while repairs were completed on an emergency basis.
- Comments:**
1. Mr. Mark Jurosek, an engineer with the Department of Public Works assigned to the San Francisco Zoo, reports that the sanitary line which serves the kitchen at the Zoo's Terrace Cafe also serves the public restrooms nearby. DPW was responsible to repair those portions of the sanitary line serving the restrooms, while repairs to the sanitary line to the kitchen were made by an outside contractor retained by the San Francisco Zoological Society, which is a non-profit agency which operates the Terrace Cafe.
 - 2 According to Mr. Jurosek, the total cost to the City for DPW to repair the sanitary line serving the restrooms was \$33,412.
- Mr. Jurosek reports that DPW administers Earthquake Safety Program Bonds designated for the repair and maintenance of the Zoo's infrastructure. The bond funds provide for making emergency repairs as needed, until permanent improvements to the Zoo's facilities are performed under the bond program. The repairs to the sanitary line were financed using such bond funds, according to Mr. Jurosek.
3. The proposed resolution states that 30 feet of 4-inch sanitary line was replaced by 15-inch sewer pipe. Mr. Jurosek reports that the new sewer pipe is only 5 inches in diameter.
 4. According to Mr. Jurosek, DPW verbally authorized repairs to be made on an emergency basis in early May,

BOARD OF SUPERVISORS

BUDGET ANALYST

after the sewer line failed, and repairs were completed in late May. The written statement by the Chief Administrative Officer that an emergency existed was issued on September 10, 1992, according to Mr. Jurosek.

Recommendations:

1. Amend line 10 of the proposed resolution by substituting "5-inch" for "15-inch."
2. Amend line 20 of the proposed resolution by substituting "The cost of the work is \$33,412" for, "The cost of the work is estimated at \$35,000."
3. Approve the proposed resolution, as amended.

BOARD OF SUPERVISORS

BUDGET ANALYST

Item 1d - File 146-92-26.1

Department: Department of Public Health (DPH)
AIDS Office

Item: Resolution authorizing the DPH to accept and expend a continuation grant of \$470,440, which includes indirect costs of \$39,291, based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding the evaluation and enhancement of HIV/AIDS Prevention Street and Community Outreach Programs that serve youth in high-risk situations (also known as the Youth Scope Project); providing for ratification of action previously taken.

Amount: \$470,440

Source of Grant: U.S. Department of Health and Human Services

Grant Period: October 1, 1992 to September 30, 1993

Project: The evaluation and enhancement of HIV/AIDS Prevention Street and Community Outreach Programs that serve youth in high-risk situations (Youth Scope Project)

Project Description: The proposed grant would fund the continuation of a program to evaluate and enhance HIV/AIDS prevention street and community outreach programs that serve youth in high-risk situations, such as runaways, homeless youth, and youth who are injection drug users. The proposed grant would be used to assess the effectiveness of street-based outreach in reducing HIV infection among high-risk youth. The project would be divided into two phases. First, the program would assess: (1) the location and size of the target population; (2) current outreach coverage of specific geographic areas; (3) costs associated with that coverage; and (4) current modes of evaluation. Second, the project would test the efficacy of a specially designed street outreach intervention.

Memo to Finance Committee
October 7, 1992

Budget:

<u>Personnel</u>	<u>FTE</u>		
Epidemiologist	1.00	\$47,735	
Health Educator	0.46	23,344	
Statistician	1.00	41,793	
MIS Technician II	0.50	13,582	
Sr. Clerk Typist	0.50	15,161	
Health Worker II	<u>2.00</u>	<u>54,836</u>	
Subtotal		\$196,451	
Fringe Benefits @ 26 percent		<u>51,077</u>	
Total Personnel	5.46		\$247,528
<u>Travel</u>			
Local Travel		500	
Out of Jurisdiction Travel		<u>10,000</u>	
Total Travel			10,500
<u>Training</u>			1,500
<u>Materials and Supplies</u>			
Office Supplies		1,000	
Educational Materials		<u>2,500</u>	
Total Materials and Supplies			3,500
<u>Contractual Services</u> (Street Outreach Intervention)			109,159
<u>Operating Expenses</u>			
Rent		23,638	
Telephone		4,824	
Courier Services		500	
Postage		500	
Photocopying		3,000	
Advertising		2,500	
Client Participation Incentives		<u>24,000</u>	
Total Operating Expenses			58,962
<u>Indirect Costs</u> (20% of salaries)			<u>39,291</u>
Total Project Budget			<u>\$470,440</u>

**No. of Persons
to be Served:**

At-risk youth population in San Francisco

Required Match:

None

Indirect Costs:

\$39,291, based on 20 percent of salaries.

Comments:

1. The DPH advises that the contractor for Street Outreach Intervention, at \$109,159, has not yet been selected. Therefore,

BOARD OF SUPERVISORS
BUDGET ANALYST

\$109,159 should be reserved pending selection of a contractor and information regarding the hours, rates and MBE/WBE status of the contractor.

2. The DPH advises that if the proposed grant is reduced or terminated, personnel would be reduced or terminated accordingly. The proposed grant includes 5.46 FTEs.

3. The proposed grant would be the 2nd year of an ongoing grant. The proposed grant of \$470,440 represents a decrease of \$9,578, or two percent, from the previous grant of \$480,018.

4. DPH reports that the proposed grant has already been accepted. Therefore, the proposed resolution provides for ratification of action previously taken.

5. Attached is the Health Commission's "Summary of Grant Request."

6. A Disability Checklist is included in the Board of Supervisors file.

Recommendation: Reserve \$109,159 pending selection of a contractor and information regarding the hours, rates and MBE/WBE status of the contractor, and approve as amended.

Item No. Health Commission - Summary of Grant Request Rev. 4/10/90
 Dept of Health and Human Services
 Grantor Centers for Disease Control Division CO/AIDS Div
 Contact Person Edwin L. Dixon Section AIDS Office
 Address 255 East Paces Ferry Road Contact Person Tim Piland
Atlanta, GA 30305 Telephone 554-9132
 Amount Requested \$ 470,440 Application Deadline 5/8/92
 Term: From 10/1/92 To 9/30/93 Notification Expected Rec'd 8/7/92
 Health Commission 9/1/92 Board of Supervisors: Finance Committee
 Full Board

I. Item Description: Request to ~~(apply for)~~ (accept and expend) a ~~(new)~~ (continuation) ~~(all existing funds are used)~~ grant in the amount of \$470,440 from the period of 10/1/92 to 9/30/93 to provide Evaluation and Enhancement of HIV/AIDS Prevention services. Programs that Serve Youth in High-Risk Situations (Youth SCOPE Proj)

II. Summary: (Concise summary; state objectives, goals, and services and providers)
This program will continue to evaluate and enhance HIV/AIDS prevention street and community outreach programs that serve youth in high-risk situations (e.g., runaways, homeless youth, and youth who are injection drug users); please see attachment for a more detailed description of program.

III. Outcomes/Objectives:
Please see attachment.

IV. Effects of Reduction or Termination of These Funds:
Failure to accept and expend these funds will impair our continuing efforts to address the needs of youth in high-risk situations in regard to designing effective and cost-efficient HIV/AIDS health education and risk-reduction strategies for this population

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match None	Approved by
Grant Amount		480,018	470,400	- 9,578		
Personnel		313,328	247,528	- 65,800		
Equipment		16,590	0	- 16,590		
Contract Svc.		0	109,159	+109,159		
Mat. & Supp.		18,603	3,500	- 15,103		
Facilities/Space		23,638	23,638	0		
Other		60,124	47,324	- 12,800		
Indirect Costs		49,735	39,291	- 10,444		

VI. Data Processing

(Leave blank unless shown)

		16,590	0	- 16,590		
--	--	--------	---	----------	--	--

VII. Personnel

F/T CSC		6.7	5.46	- 1.21		
P/T CSC						
Contractual			TBD			

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
None.

Will grant funded employees be retained after this grant terminates? If so, How?
No.

*VIII. Contractual Services: Open Bid X Sole Source (Leave blank unless Request for Information Form)
 RFP will be issued late 9/92.

Item 1e - File 146-92-41.1

Department: Department of Public Health (DPH)
AIDS Office

Item: Resolution authorizing the DPH, AIDS Office, to accept and expend a continuation grant of \$1,444,565, which includes indirect costs in the amount of \$158,044 based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding the Epidemiologic Research Studies of the Natural History of HIV/AIDS and HIV Incidence in Homosexual/Bisexual Men Recruited from the San Francisco Sexually Transmitted Disease Clinic (formerly known as the Epidemiologic Study of the Natural History of HIV/AIDS in Homosexual/Bisexual Men Previously Enrolled in Studies of Hepatitis B Infection).

Amount: \$1,444,565

Source of Grant: Department of Health and Human Services
Centers for Disease Control (CDC)

Grant Period: November 1, 1992 to October 31, 1993

Project: Epidemiologic Research Studies of the Natural History of HIV/AIDS and HIV Incidence in Homosexual/Bisexual Men Recruited from the San Francisco Sexually Transmitted Disease Clinic

Project Description: The proposed grant would fund the continuation of a project to monitor the natural history of HIV infection in homosexual/bisexual males previously enrolled in studies of Hepatitis B. In addition, a new cohort of homosexual/bisexual males would be enrolled into a new study of HIV incidence at City Clinic to determine the feasibility of conducting vaccine trials in San Francisco.

The primary objectives of the natural history study are to determine the prevalence and incidence of HIV/AIDS, to identify behavioral and biological factors associated with HIV seroconversion, and to monitor the disease's progress over time in an established cohort of gay males. The primary objective of the HIV incidence study is to determine the feasibility of conducting vaccine trials in San Francisco.

Memo to Finance Committee
October 7, 1992

Budget:	<u>Personnel</u>	<u>FTE</u>	
	Supervising Sr. Physician	1.00	\$101,206
	Sr. Physician	1.30	119,415
	Epidemiologist III	1.00	62,818
	Principal Disease Control Investigator (DCI)	1.00	52,008
	Sr. DCI	1.00	46,384
	DCI	4.00	172,604
	Psychiatric Social Worker	0.04	1,793
	Sr. Programmer Analyst	1.00	56,657
	Statistician	1.20	49,009
	MIS Technician	2.00	58,912
	Sr. Clerk Typist	<u>2.00</u>	<u>69,416</u>
	Subtotal		\$790,222
	Fringe Benefits @ 26 percent		<u>205,458</u>
	Total Personnel	15.54	\$995,680
	<u>Travel</u>		
	Local Travel		3,120
	Out-of-Jurisdiction Travel		<u>16,500</u>
	Total Travel		19,620
	<u>Training</u>		1,200
	<u>Equipment</u> (computer maintenance)		1,500
	<u>Materials and Supplies</u>		
	Office Supplies		3,359
	Furniture		1,920
	Clinical Supplies		7,075
	Educational Materials		1,200
	National Death Index		825
	Death certificates		1,100
	Hepatitis B Cohort Cancer Match		6,000
	Laboratory Supplies		<u>93,400</u>
	Total Materials and Supplies		114,879
	<u>Contractual Services</u> (Clinical Laboratory Services)		33,175
	<u>Operating Expenses</u>		
	Rent		42,363
	Telephone		13,536
	Computer Communication		18,000
	Voice Mail		2,500
	Courier Services		4,668
	Postage		1,479
	Photocopying		6,300
	Printing		3,146

BOARD OF SUPERVISORS
BUDGET ANALYST

Advertising	\$2,875
Client Participation Incentives	<u>25,600</u>
Total Operating Expenses	\$120,467
<u>Indirect Costs</u> (20% of salaries)	<u>158,044</u>
Total Project Budget	<u>\$1,444,565</u>

**No. of Persons
to be Served:** 1,100

Required Match: None

Indirect Costs: \$158,044, based on 20 percent of salaries.

Comments:

1. The DPH advises that the contractual services, at \$33,175, would include clinical laboratory services (e.g., analysis of blood samples). According to Ms. Judith Weld of the DPH, Damon Laboratories would continue to provide these services for one additional year. Damon Laboratories was selected in FY 1989-90 based on a competitive bid. The DPH anticipates conducting a new competitive bid in FY 1993-94.
2. The DPH advises that if the proposed grant is reduced or terminated, personnel would be reduced or terminated accordingly. The proposed grant includes 15.54 FTEs.
3. The proposed grant would be the 9th year of an ongoing grant. The proposed grant of \$1,444,565 represents a decrease of \$607,563, or approximately 30 percent, from the previous grant of \$2,052,128.
4. Attached is the Health Commission's "Summary of Grant Request."
5. A Disability Checklist is included in the Board of Supervisors file.

Recommendation: Approve the proposed resolution.

Health Commission - Summary of Grant Request

Rev. 4/10/93

to: Dept of Health and Human Services
 for: Centers for Disease Control
 contact Person: Lin Dixon/Scott Holmberg
 Address: 1600 Clifton Road, NE
Atlanta, GA 30333
 Amount Requested: \$ 1,444,565
 Term: From 11/1/92 To 10/31/93
 Health Commission 9/1/92 Board of Supervisors: Finance Committee 9/23/92
 Full Board 9/28/92

Division: CO/AIDS Div
 Section: AIDS Office
 Contact Person: Tim Piland
 Telephone: 554-9132
 Application Deadline: 7/17/92
 Notification Expected: 10/1/92

I. Item Description: Request to ~~(expand)~~ (accept and expend) a ~~(new)~~ (continuation) ~~(other)~~ ~~(renewal)~~ grant in the amount of \$ 1,444,565 from the period of 11/1/92 to 10/31/93 to provide Epi Study of Natural History and HIV Incidence services in Homosexual/Bisexual Men Recruited from the SF STD Clinic.

II. Summary: (Concise summary; past addressed; future + group service; service and provider)

This project will continue to monitor the natural history of HIV infection in homosexual/bisexual males previously enrolled in studies of hepatitis B; in addition, a new cohort of like males will be enrolled into a new study of HIV incidence at City Clinic to determine the feasibility of conducting vaccine trials in San Francisco.

III. Outcomes/Objectives:

Natural history study primary objective is to determine the prevalence and incidence of HIV/AIDS, identify behavioral and biological factors associated with HIV seroconversion, and disease progress over time in an established cohort of gay males; HIV Incidence Study will determine the feasibility of conducting vaccine trials in San Francisco.

IV. Effects of Reduction or Termination of These Funds:

Reduction or termination of these funds would impair the research capability of the AIDS Office in providing important and unique epidemiologic data and jeopardize our ability to attract future research grant funding.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match NONE	Approved by
Grant Amount	2,197,996	2,052,128	1,444,565	- 607,563		
Personnel	1,381,986	1,472,565	995,680	- 476,885		
Equipment	9,200	17,084	1,500	- 15,584		
Contract Svc.	330,813	59,750	33,175	- 26,575		
Mat. & Supp.	31,800	56,555	106,954	+ 50,399		
Facilities/Space	81,426	75,418	42,363	- 33,055		
Other	138,520	137,015	106,849	- 30,166		
Indirect Costs	224,251	233,741	158,044	- 75,697		

VI. Data Processing

(Costs included above)

4,500 9,150 0

VII. Personnel

	<u>25.00</u>	<u>21.55</u>	<u>15.54</u>		
F/T CSC					
P/T CSC					
Contractual					

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

None.

Will grant funded employees be retained after this grant terminates? If so, How?

No.

renewal

*VIII. Contractual Services: Open Bid RFP 032-89 Sole Source _____ (If sole source, attach RFP for External Form)

Item 1f - File 146-92-67

Department: Department of Public Health (DPH)
Bureau of Epidemiology and Disease Control
Division of Tuberculosis Control

Item: Resolution authorizing the DPH, Bureau of Epidemiology and Disease Control, Division of Tuberculosis Control, to apply for a grant of \$2,453,034, which includes indirect costs in the amount of \$244,869 based on twenty percent of salaries, from the U.S. Department of Health and Human Services, Centers for Disease Control, for the continuation of the following programs: Tuberculosis (TB) Prevention and Control/Elimination, and the HIV Related TB Prevention Program.

Amount: \$2,453,034

Source of Grant: U.S. Department of Health and Human Services
Centers for Disease Control (CDC)

Grant Period: February 1, 1993 to January 31, 1994

Projects: Tuberculosis Prevention and Control/Elimination
HIV-Related TB Prevention Program

Project Description: The proposed grant would fund diagnostic treatment, surveillance, screening, case finding, registry and medical consultation for the Tuberculosis Prevention and Control/Elimination and the HIV related TB Prevention Programs. The project includes daily therapy and screening, and preventive therapy for infection at substance abuse sites. The goals of the program are: (1) to assure adequate treatment for those who are currently in therapy; (2) to identify and treat infection in substance abuse clinics where HIV infection increases risk; and (3) to assist in the reduction and elimination of tuberculosis through outreach.

Budget: A more detailed project budget will be provided when the Department requests authorization to accept and expend the proposed grant. However, the Department has currently established a proposed skeleton budget, as follows:

<u>Personnel</u>	<u>FTE</u>	
Salaries		\$1,222,845
Fringe Benefits @ 27 percent		<u>329,361</u>
Total Personnel	28.0	\$1,552,206

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Equipment</u>	\$63,196
<u>Materials and Supplies</u>	131,527
<u>Contractual Services</u>	326,637
<u>Operating Expenses</u>	
Total Operating Expenses	24,000
<u>Other/Travel</u>	110,599
<u>Indirect Costs (20% of salaries)</u>	<u>244,869</u>
Total Project Budget	\$2,453,034

Required Match: None

**Estimated # of
Persons Served:** Active TB cases: 383
Preventative Therapy: 3,872
TB Screening: 3,900

Indirect Costs: \$244,869, based on 20 percent of salaries.

Comments:

1. The DPH advises that Contractual Services for the proposed grant would include nursing services for community substance abuse sites. Information regarding the contractors would be provided when the DPH requests authorization to accept and expend the proposed grant.
2. The DPH advises that if the proposed grant is reduced or terminated, personnel would be reduced or terminated accordingly. The proposed grant includes 28 FTEs.
3. Dr. Gisela Schechter of the DPH advises that the proposed grant would be the tenth year of an on-going grant for Preventative TB services, and the fifth year of an on-going grant for HIV services. The proposed grant of \$2,453,034 represents an increase of \$1,675,251, or approximately 216 percent, from the previous grant of \$777,783. Dr. Schechter advises that the reason for this increase is that the program would expand services as follows:

<u>Program</u>	<u># Persons Served in 1991</u>	<u>Approximate # Persons Proposed to Be Served in 1993</u>	<u>Percent Increase</u>
Active TB Cases	333	383	15
Preventive Therapy	3,200	3,872	21
Screening	3,000	3,900	30

Dr. Schechter advises that the project would also commence operation of a laboratory to use rapid technology for diagnosis of TB, increase the number of health workers in the field who screen for TB and daily observed therapy, and assist in the implementation of DNA fingerprinting for the TB virus.

4. Attached is the Health Commission's "Summary of Grant Request," as prepared by the DPH.

6. A Disability Checklist is included in the Board of Supervisors file.

Recommendation: Approve the proposed resolution.

CENTER FOR DISEASE CONTROL

Division COMMUNITY PUBLIC HEALTH SERVICESSection BEDC/TB CONTROLContact Person FRANCES TAYLOR, M.D.Telephone (415) 206-8524 (GISELA SCHECTER,Application Deadline October 19, 1992

Notification Expected _____

Amount Requested \$ 2,453,034Term: From 2/1/93 To 1/31/94

Health Commission _____ Board of Supervisors: Finance Committee _____

Full Board _____

Item Description: Request to (apply for) (~~extend and expand~~) a (new) (continuation) (~~renewal~~) (~~amendment~~) grant in the amount of \$ 2,453,034 from the period of 2/1/93 to 1/31/94 to provide assistance in the reduction and control of tuberculosis ~~scabies~~.

II. Summary: (Concise history, need statement, number + groups served, services and providers)

Diagnostic treatment, surveillance, screening, case finding, registry and medical consultation have been supported by this project for 10 years. The project serves all communities in San Francisco.

III. Outcomes/Objectives:

1. To assure adequate treatment of cases by daily observed therapy. 2. To identify and treat infection in substance Abuse Clinics where HIV infection increases risk. 3. Assist in the reduction and ultimate elimination of tuberculosis by instituting intensified outreach

IV. Effects of Reduction or Termination of These Funds:

Current activities, daily observed therapy and screening, and preventive therapy for infection in substance abuse sites would have to be discontinued. Proposed activities, intensified outreach and screening, information and education activities, and improved patient care would not be realized.

V. Financial Information:

	Col. A Two Year Ago	Col. B Fisc Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	498,444	777,783	2,453,034			
Personnel	323,143	480,102	1,552,206			
Equipment	--	9,754	63,196			
Contract Svc.	104,000	149,705	326,637			
Mat. & Supp.	7,799	40,156	131,527			
Facilities/Space	--	1,250	24,000			
Other/travel	12,685	27,228	110,599			
Indirect Costs	49,997	69,588	244,869			

VI. Data Processing

(can be included above)

0

--

36,749

VII. Personnel

	8.0	13	28		
F/T CSC	0.5	0.5	1.0		
P/T CSC	2.0	3	3.5		

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
None are provided.

Will grant funded employees be retained after this grant terminates? If so, How?

Yes, by placement in ad valorem positions.

VIII. Contractual Services: Open Bid _____ Sole Source X (If sole source, attach Request for Proposal Form)

Item 1g - File 146-92-68

Department: Department of Public Health (DPH)
Homeless Program

Item: Resolution authorizing the Department of Public Health, to apply for, accept and expend a grant of \$100,000, from Comic Relief, for health services for the homeless, providing for ratification of action previously taken and waving indirect costs.

Grant Amount: \$100,000

Source of Grant: Comic Relief Inc., a national non-profit organization established to raise funds for homeless programs.

Grant Period: July 1, 1992 to April 30, 1993

Project: Medical and Social Services for the Homeless

Description: The proposed grant would fund the continuation of medical and social services to the homeless. The services are provided at the following eight community-based agencies:

1. Tom Waddell Clinic
2. St. Anthony Foundation - Health Clinic
3. South of Market Multi-Service Center
4. Larkin Street Youth Center
5. North of Market Multi-Service Center
6. Salvation Army
7. Episcopal Sanctuary Shelter
8. Bayview Hunters Point Foundation

No. of Persons to be Served: Approximately 800 clients

Project Budget:

<u>Personnel</u>		
Health Worker III (1.5 FTE)	\$45,718	
Social Work Intern	6,256	
Fringe Benefits	<u>11,887</u>	
Subtotal		\$63,861

Operating Expenses

Contract Services - Bayview	
Hunters Point Foundation	\$30,889
Consultant Services	2,500
Telephone & Utilities	500
National Health Care for the	
Homeless Council Dues	2,000
Hands Net Subscription*	<u>250</u>
Subtotal	\$36,139
Total	\$100,000

* The Hands Net is a data network subscription which provides access to a wide range of health information and data, including health information as it relates to the homeless.

Indirect Costs: None - The Grantor does not permit these grant funds to be used for Indirect Costs. Therefore, the proposed resolution requests that indirect costs be waived.

Local Match: None

Comments:

1. The DPH advises that the application for these grant funds has already been submitted and that the Grantor has notified the Department that the City will be allocated the \$100,000. In addition, the DPH reports that the project is currently being carried out and expenditures are being incurred against these grant funds. As previously noted, the proposed legislation provides for ratification of action previously taken.

2. As previously noted, the proposed grant would fund this program through April 30, 1993. The DPH expects to receive additional grant funds this fiscal year from Comic Relief Inc. The DPH advises that while the amount of these additional grant funds has not, as yet, been determined, the Department intends to use whatever funds are made available to extend the term of the grant program, hopefully through the end of the fiscal year.

3. The DPH reports that if no additional funds are provided by Comic Relief Inc. to continue this program after April 30, 1993, that the grant funded positions will be eliminated, unless another source of funds can be identified to pay for these positions.

4. Attached is the Health Commission Summary of Grant Request, as prepared by the DPH, for this proposed grant.
5. The DPH has prepared a Disability Access Checklist, for each of the eight project sites, which is included in the file.

Recommendation: Approve the proposed resolution.

for Comic Relief, I Division PHS
 Contact Person Dennis Albaugh Section Homeless
 Address 2049 Century Park East, Ste. 4250 Contact Person Fred Milligan
Los Angeles, CA 90067 Telephone 554-2673
 Amount Requested \$ 100,000.00 Application Deadline _____
 Term: From 7/1/92 To 4/30/93 Notification Expected _____
 Health Commission _____ Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a ~~(new)~~ (continuation) ~~(allocation)~~ ~~(assignment)~~ ~~(rev)~~
 (Circle appropriate words) grant in the amount of \$100,000 from the period of 7/1/92 to 4/30/93
 to provide continuation of homeless health services.

II. Summary: (Concise, brief, and address issues - group needs, services, and providers)
 Proposed grant would fund continuation of medical and social services to the
 homeless at eight community-based clinics including the City-operated Tom Waddell
 Clinic.

III. Outcomes/Objectives:
 Approximately 800 client contacts will be provided by health workers.

IV. Effects of Reduction or Termination of These Funds

See attachment.

V. Financial Information:

	Col. A (18 mos) Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	103,500	238,197	100,000	(138,197)		
Personnel	102,901	188,560	63,861	(124,699)		
Equipment		200	-	(200)		
Contract Svc.		44,427	30,889	(13,538)		
Mat. & Supp.	599					
Facilities/Space						
Other		5,010	5,250	240		
Indirect Costs		-	-	-		

VI. Data Processing

(See attached sheet)

VII. Personnel

	3.0	3.0	1.5	(1.5)
F/T CSC				
P/T CSC		2.0		(2.0)
Contractual		1.0	1.0	

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
 None

Will grant funded employees be retained after this grant terminates? If so, How?
 More funds expected in November to extend term of grant.

VIII. Contractual Services: Open Bid X Sole Source _____ (Circle one, and specify for Exception Form)

Item 1h - File 203-92-1

Item: Resolution authorizing acceptance of a deed from Progress Seven, Inc. of Lot 5 (portion) in Assessor's Block 4711 for public roadway purposes and finding such action is in conformity with the Master Plan.

Description: In accordance with the City's Redevelopment Plan for Hunter's Point, the Redevelopment Agency conveyed a portion of Assessor's Block 4711 to Progress Seven, Inc. Progress Seven, Inc. has developed the property, known as "City View," with 15 affordable single family detached homes, and has made other municipal improvements. The improvements include a roadway, proposed to be named Progress Street, comprised of new pavement, sidewalks, curbs, gutters, catch basins, and utilities.

The proposed resolution would adopt and incorporate the findings of the Department of City Planning dated August 20, 1990 that the acceptance of the deed and dedication of the property as a public street is in conformity with the City's Master Plan. The proposed resolution would also authorize the Director of Property to accept a deed from Progress Seven, Inc. for the roadway proposed to be named Progress Street. In addition, the proposed resolution would direct the Director of Public Works to propose acceptance of the roadway as a public street to the Board of Supervisors, if the street work is completed to the satisfaction of the Director of Public Works.

Comments: 1. In its letter of August 20, 1990, the City Planning Department reported that the 15-lot subdivision and the roadway constructed by Progress Seven, Inc. was "in conformity with the Master Plan, provided that the subdivider complies with Section 1342 of the Subdivision Code concerning an affirmative action plan." This qualification of the certification by the Department of City Planning is not included in the text of the proposed resolution.

Section 1342 of the Subdivision Code requires a developer to train sales personnel in affirmative action policies, to solicit low and moderate income buyers through appropriate advertising, and to maintain records of its affirmative action sales activities. Ms. Michelle Davis of the Housing Division of the San Francisco Redevelopment Agency reports that Progress Seven, Inc. solicited low and moderate income buyers for the 15 housing units at City View, and sold 13 of the 15 units to qualified low and

BOARD OF SUPERVISORS
BUDGET ANALYST

moderate income buyers. The purchase of these 13 units was subsidized by the Redevelopment Agency using tax increment funds which were administered by the San Francisco Housing Development Corporation, according to Ms. Davis. The remaining 2 units were not sold under the low and moderate income subsidy program, according to Ms. Davis, because sufficient funds were not available to subsidize all 15 units.

2. According to the Real Estate Department, the deed for the roadway would be conveyed to the City at no cost to the City.

3. Mr. Javier Solorzano of the Department of Public Works reports that acceptance of the grant deed from Progress Seven, Inc. was delayed because a lien existed against the property, and the City Attorney's Office recommended against acceptance of the deed until the matter was resolved.

Mr. Jessie Smith of the City Attorney's Office reports that a mechanic's lien at one time existed on the property. A mechanic's lien is a lien placed against a property because compensation was not paid by a developer for contractual services, according to Mr. Smith.

Mr. Smith states that he has recommended to the Real Estate Department that a title report be obtained concerning the property, to insure that no liens are currently recorded. However, Mr. Smith states that if a lien is placed against the property after the date of the title report but before the deed is transferred to the City, the City would be responsible for the lien.

Therefore, Mr. Smith states that he has also recommended that the Real Estate Department obtain title insurance for the property, which would protect the City from liability for any liens recorded against the property after the date of the title report but before the deed is conveyed to the City.

4. Mr. John Panieri of the Real Estate Department states that a title report issued July 9, 1991 showed a lien of \$32,000 against the property. A subsequent title report issued June 18, 1992 shows that no liens were recorded against the property as of June 18, 1992. Mr. Panieri states that the Real Estate Department will obtain a further title report before accepting the deed, if acceptance of the deed is authorized by the Board of Supervisors. Mr. Panieri also states that title insurance will be obtained for the deed, the cost of which would be paid by Progress Seven, Inc.

BOARD OF SUPERVISORS
BUDGET ANALYST

5. Mr. Panieri states that it is a standard procedure of the Real Estate Department to obtain current title reports and title insurance for any deeds which are conveyed to the City.

6. The proposed resolution would request the Director of Public Works to propose to the Board of Supervisors that the property be accepted as a public street, "if the street work is completed to the Directors's satisfaction." Mr. Solorzano states that the roadway has been constructed to DPW standards and specifications and will be recommended by DPW for acceptance as a public street in 4 to 6 weeks. Mr. Solorzano reports that DPW ordinarily recommends a number of roadways for acceptance as public streets simultaneously to the Board of Supervisors, and Progress Street would be included in DPW's next series of recommendations.

7. Mr. Rich Cunningham, Supervisor of the Bureau of Street and Sewer Repair for the Department of Public Works, states that annual maintenance costs for the street, which is approximately 160 feet long, would be negligible. The costs would be added into the cost of maintaining more than 850 miles of City streets, according to Mr. Cunningham.

8. The title of the proposed resolution does not reflect that the resolution would request the Director of Public Works to propose acceptance of the roadway as a public street, if the street work is completed to the satisfaction of the Director of Public Works. Therefore, the title of the proposed resolution should be amended accordingly.

Recommendation:

1. Amend the title of the proposed resolution by adding, at the end of the title, a semi-colon and the words, "requesting the Director of Public Works to propose acceptance of the roadway as a public street, if the street work is completed to the satisfaction of the Director of Public Works."

2. Amend page 2, line 24 of the proposed resolution to read, "...is in conformity with the Master Plan, provided that the subdivider complies with Section 1342 of the Subdivision Code concerning an affirmative action sales program;..."

3. Approve the proposed resolution, as amended.

Item 1i - File 143-92-4

Department: Police

Item: Resolution authorizing the Chief of Police to apply for, accept and expend a new Federal grant through the State Office of Criminal Justice Planning (OCJP), for a project entitled Operation Revitalization.

Amount: \$500,000

Source of Funds: Federal funding through the State Office of Criminal Justice Planning

Term: June 30, 1992 through December 31, 1993 (18 months)

Program: Operation Revitalization

Description: The proposed grant would fund a concerted effort to revitalize the Tenderloin in a program entitled Operation Revitalization. The Police Department reports that the Tenderloin is the City's highest crime area and accounts for the most calls for service. Drugs and related crimes are the main problems in the Tenderloin.

The San Francisco Police Department has an eight officer uniformed task force working the Tenderloin. The Police Department has also instituted a 30 officer Crime Suppression Unit which works in an undercover capacity. The Tactical Unit of the Crime Suppression Unit is a special response unit to crime-plagued areas of San Francisco and has been assigning officers to work in the Tenderloin on a daily basis.

The Police Department reports that the Tenderloin area contains many landmarks including government buildings, theaters, hotels, restaurants, shopping areas and many tourist attractions and is a densely populated area with a high crime rate. Both elderly people and young people live among a large number of parolees and probationers. The latter two groups have made this area resistant to traditional crime prevention and social service efforts. In addition, the problems of homelessness, unemployment, dirty streets and sidewalks and poor lighting complicate efforts to provide needed intervention.

BOARD OF SUPERVISORS
BUDGET ANALYST

Operation Revitalization will consist primarily of enforcement activities designed to target, apprehend and incapacitate the violent street criminals who account for a disproportionate percentage of criminal activity. The Police Department has a commitment from all agencies involved in Operation Revitalization to work together in a disciplined assault on Tenderloin violent crime and drug abuse. The specific narcotics strategy will be to attack street sales of drugs by using buy-bust operations.

Budget:

Police Department

Overtime for Q2 Police Officers \$45,000
(approximately 1,600 hours) The Narcotics Bureau will conduct approximately 25 days of buy-bust operations, including extensive use of videotape and photographic recording of the undercover operations to provide more conclusive evidence leading to more successful prosecutions.

Overtime for Q2 Police Officers 45,000
(approximately 1,600 hours) Community policing aimed at intensifying efforts to develop cooperative relationships with and among the citizens, merchants, community organizations and government agencies in the Tenderloin area. The intensified community policing will include additional foot patrols, bicycle patrols and mobile patrols as well as community relations activities, neighborhood organizing, and crime prevention activities.

Overtime for Q2 Police Officers 13,300
(approximately 400 hours) The Police Department would expand their successful Elementary School Drug Education and Middle School Law Enforcement Programs to Galileo High School, that serves the Tenderloin. These programs include placing two Police Officers at the schools on a regularly scheduled basis to establish a uniformed presence.

Overtime for 8260 Criminalist 9,000
(Crime Lab technician)
(approximately 200 hours) Additional narcotics testing work corresponding to the increased activity resulting from the buy-bust operations.

BOARD OF SUPERVISORS
BUDGET ANALYST

Police Department-Contractual Services

**San Francisco Safety Awareness
For Everyone (SAFE), Inc.**

\$38,000

Funding for 1.5 FTEs. SAFE will conduct a comprehensive crime prevention/education and community organizing program for residential hotels and multiple unit dwellings including safety awareness training for the elderly, home and street safety presentations for children, drug education for high school age youth and a business watch program. Training will be provided in the Spanish, Cantonese, Vietnamese, Laotian, Cambodian and Hmong languages. Four Task Force Police Officers will work with SAFE in the areas of crime prevention and building code enforcement of health and safety violations in dilapidated hotels and crack houses. SAFE will work to prevent crime in senior housing, residential hotels, multiple unit dwellings and small businesses.

North of Market Planning Coalition

38,000

Funding for 1.5 FTEs. The North of Market Planning Coalition will coordinate landlord and tenant trainings, organize resident advocacy groups and resident organizations to lobby for enforcement of existing housing codes and monitor neighborhood land use planning. The North of Market Planning Coalition will work with developers to identify sites for new family housing in the Tenderloin in order to establish a stable residential population.

Vietnamese Youth Development Center

38,000

Funding for 1.5 FTEs. The Vietnamese Youth Development Center will implement a youth leadership development program that will train ten youth residents of the Tenderloin in helping and communication skills, self-esteem, cultural identity and pride, drug education and exploration of teen, senior and community issues. These programs will be conducted in conjunction with the North of Market Senior Services programs.

BOARD OF SUPERVISORS
BUDGET ANALYST

North of Market Senior Services

\$38,000

Funding for 1.5 FTEs. The North of Market Senior Services will identify a core group of ten older adults to participate in intergenerational programming, will train seniors to act as mentors and trainers of youth participants, and will assist in coordination of joint community events. These programs will be conducted in conjunction with the Vietnamese Youth Development Center programs.

Other Contracts

14,000

The Police Department will contract with PG&E and others to increase the street lighting by replacing 200 watt bulbs with 400 watt bulbs in selected street lights (\$5,000). The Police Department will also contract for an extensive sidewalk steam-cleaning effort (\$9,000).

District Attorney

50,000

1- 8178 Senior Attorney, Civil and Criminal

The District Attorney's Office will staff one Trial Attorney II position to aggressively prosecute all cases arising from this project and to deal with code enforcement. The District Attorney staff will also train Police Officers in report writing techniques that will enhance the conviction potential of cases.

1-8131 Victim Witness Investigator II

12,825

The District Attorney's Office will supply a victim/witness advocate to supervise interns that will staff an outstation in the Tenderloin and provide such services as crisis intervention, resource and referral counseling and criminal justice advocacy.

BOARD OF SUPERVISORS
BUDGET ANALYST

Adult Probation Department

1-8442 Senior Probation Officer

\$63,875

The Adult Probation component will provide a Senior Probation Officer (including salary, fringe benefits, night differential and overtime for one year) to intensively supervise 25 probationers in the Tenderloin. The Senior Probation Officer will be a liaison to the Police Department and will facilitate the enforcement of warrantless searches (probationers can be searched by a Probation Officer without the necessity of a warrant as a condition of their probation). The Senior Probation Officer will also refer probationers involved in the project to vocational and job training, to academic schools and to job placements.

Sheriff's Department

1-8304 Deputy Sheriff

30,000

Funding would be provided for one Deputy Sheriff position for six months. The Deputy Sheriff and approximately six prisoners from the Sheriff's Work Alternative Program (SWAP) will clean the Tenderloin area five days a week by sweeping streets, washing walls and painting buildings. In cooperation with the Police Department, the Deputy Sheriff will be a visible presence in the community to enhance community relations and to deter criminal activities.

City Attorney

1-8178 Senior Attorney, Civil and Criminal

20,000

The proposed funding would provide 0.2 FTE of a Senior Attorney, Civil and Criminal. The City Attorney's Office has initiated the Code Enforcement Task Force that is comprised of inspectors from the Bureau of Building Inspection, Fire Department, Police Department, Department of Public Health, Planning Department and the City Attorney's Office. The Task Force meets monthly to compare complaints they have received, plan joint inspections of properties and cooperate to abate or close properties that are involved in drugs if the owners do not eliminate the drug activity.

BOARD OF SUPERVISORS
BUDGET ANALYST

Receivership Fund	\$15,000
The City Attorney's Office has initiated the Receivership Program that secures a court appointed receiver to act in a property owner's place to abate code violations if the owner refuses to do so. The cost of abatement activities are either paid by the owner, deducted from rents collected by the receiver or deducted from the proceeds of the sale of the property by the receiver. The proposed \$15,000 Fund will be used for the initial costs of the receiver such as obtaining security guards and erecting fences and signs.	

Audit (Police Department-Contractual Services)	5,000
The grantor allows one percent of total grant funding for an audit of grant activities. The auditor will be selected by competitive bid.	

Indirect Costs	<u>25,000</u>
The grantor allows five percent of total grant funding for indirect costs.	

Grant Total	\$500,000
--------------------	-----------

Grant Match: A match is not requirement for the proposed grant.

Comments: 1. Operation of the Tenderloin Operation Revitalization Program will be guided by a steering committee which includes employees of the San Francisco Police Department, Adult Probation, the District Attorney's Office and the Sheriff's Department.

2. A copy of the Disability Checklist is included in the file.

3. The Summary of Grant Request is attached.

4. The grant application deadline was June 18, 1992 and the Police Department has already applied for this grant. Furthermore, the accept and expend authorization for this grant is retroactive to June 30, 1992. Therefore, the proposed resolution should be amended for retroactivity. According to Lieutenant Ryan, the Police Department's grant coordinator, no monies have been spent to date during the start-up period (the first six months) of the proposed grant term.

5. The proposed resolution would also authorize \$25,000 for indirect costs, based on five percent of the total grant. Although the body of the proposed resolution includes the \$25,000 for indirect costs, the title of the proposed resolution

BOARD OF SUPERVISORS
BUDGET ANALYST

should be amended to reflect inclusion of \$25,000 for indirect costs.

- Recommendations:**
1. Amend the title of the proposed resolution to include \$25,000 of the proposed grant based on five percent of the total grant, for indirect costs.
 2. Amend the proposed resolution to authorize the Police Department to retroactively apply for and accept the proposed grant.
 3. Approve the proposed resolution as amended.

Item No. _____ **SFPD** - Summary of Grant Request Rev. 1/10/90

Grantor Office of Criminal Justice Planning Division S. Francisco Police Dept.
 Contact Person Ray Johnson Section Fiscal
 Address 1130 K Street Contact Person Lt. Lawrence Ryan
Sacramento, CA 95814 Telephone (415) 553-1305
 Amount Requested \$ 500,000.00 Application Deadline 6/18/92
 Term: From 6/30/92 To 12/31/93 Notification Expected 7/6/92
 Health Commission _____ Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a) grant in the amount of \$500,000.00 from the period of 6/30/92 to 12/31/93 to provide Tenderloin Area Revitalization services.
 (Circle appropriate - only)

II. Summary: (Give summary and address; include a group name, service and provider)

The Tenderloin has high crime rate, including drug related offenses, violent crime and crimes against elderly. The area has a problem with refuse and graffiti. There is a need for youth programs and code enforcement for violations by building owners.

III. Outcomes/Objectives:

Intensive arrest and prosecution effort. New street lights, steam cleaning the streets, and clean-up by SWAP Program. Institute youth programs and code enforcement.

IV. Effects of Reduction or Termination of These Funds:

Continued decline in the neighborhood, violent crime and drug sale proliferation

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount			\$500,000.00		0	
Personnel						
Equipment						
* Contract Svc.			\$152,000.00		0	
Mat. & Supp.			\$ 5,000.00		0	
Facilities/Space						
Other			\$ 5,000.00		0	
Indirect Costs			\$ 25,000.00			

VI. Data Processing

(Leave blank item)

VII. Personnel

F/T CSC			8		
P/T CSC			4		
Contractual					

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

N/A

Will grant funded employees be retained after this grant terminates? If so, How?

NO

*VIII. Contractual Services: Open Bid _____ Sole Source X (if not source, attach Request for Competitive Bids)

Item 1j - File 38-92-22.1

Item: Request for release of reserve funds in the amount of \$20,000 for financial advisory services.

Department: Chief Administrative Officer

Description: In August 1992, the Board authorized the Chief Administrative Officer to accept a gift of \$170,000 from Catellus Development Corporation to provide financial consulting and legal services associated with the formation of a Community Facilities District for the Mission Bay Project (File 38-92-22).

The Board of Supervisors previously approved a resolution (File 255-91-7) finding that the Board of Supervisors intends to conduct proceedings for the establishment of a Community Facilities District (CFD). Under the Mello-Roos Community Facilities Act of 1982, communities can form CFDs, which use the property tax increments resulting from new development in a district to finance public improvements and public capital facilities.

According to the Development Agreement between the City and Catellus Development Corporation, the CFD would provide financing for the infrastructure and certain public facilities related to the Mission Bay Project. The funds provided by Catellus will be used to pay for the following services related to the Community Facilities District:

Special Tax Consultant	\$70,000
Financial Adviser	20,000
Bond Counsel	<u>80,000</u>
Total	\$170,000

At the time that authorization to accept the \$170,000 gift was approved (File 38-92-22), consultants had already been selected through a competitive Request for Proposal process to perform each of these services. However, at the request of the CAO, \$100,000 was placed on reserve by the Finance Committee pending establishment of the Community Facilities District.

Comments: 1. According to the CAO, the following consultants and firms were selected through a Request for Proposal process to perform services related to the CFD:

Bond Counsel: Brown & Wood/Pamela S. Jew, a joint venture. Pamela Jew is an MBE/WBE firm.

Tax Consultant: Economic and Planning Systems, a non-MBE/WBE firm. According to the CAO, although Requests for Proposals were distributed to Human Rights Commission registered MBE/WBE firms, no bids were received from MBE/WBE firms.

Financial Advisers: Evanson Dodge and Charles A. Bell Securities, a joint venture. Charles A. Bell is an MBE firm.

2. The \$20,000 in reserve funds which the CAO is requesting at this time would be used to finance the services of the financial advisers, Evanson Dodge and Charles A. Bell Securities, a joint venture. As noted above, the funds were placed on reserve by the Finance Committee pending establishment of the Community Facilities District.

3. According to Ms. Laura Lockwood Wagner of the CAO's office, the Community Facilities District has not yet been formed. However, Ms. Lockwood Wagner indicates that the CAO is unable to execute a contract with the proposed contractor while the funds are on reserve, because the Controller will not certify that funds have been appropriated for the contract.

Therefore, the CAO is requesting release of reserve funds in the amount of \$20,000 in order to execute the contract with Evanson Dodge and Charles A. Bell Securities for financial advisory services. Ms. Lockwood-Wagner states that the contract which the CAO would execute, once funds have been released, provides that Evanson Dodge and Charles A. Bell Securities will not be paid for its services unless and until the CFD is formed.

4. The CAO was able to execute a contract with Economic and Planning Systems, the tax consultant, because the funds for that contract were not placed on reserve. The CAO will request release of the remaining \$80,000 which was placed on reserve to finance the services of Bond Counsel, Brown & Wood/Pamela Jew, when the contract for Bond Counsel is prepared for execution, according to Ms. Lockwood-Wagner.

5. Ms. Lockwood-Wagner indicates that the Community Facilities District is expected to be formed in approximately 4 to 6 months.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
October 7, 1992

Recommendation: Approve the request for release of reserve funds in the amount of \$20,000.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 1k - File 146-92-2.1

Department: Department of Public Health (DPH)
Management Information Systems

Item: Request to release reserved funds, Department of Public Health - Management Information Systems, in the amount of \$10,979, for the CHIRN Project, computer equipment.

Amount: \$10,979

Source of Funds: Robert Wood Johnson Foundation

Project: Outreach Health Services for High Risk Immigrant/Refugee Children and their Families (also known as the Child Health Initiative for Immigrant/Refugee Newcomers, or CHIRN)

Description: On February 12, 1992, the Finance Committee of the Board of Supervisors approved a resolution authorizing the Department of Public Health, Community Public Health Services to accept and expend a grant of \$600,000, placing \$73,639 on reserve. Of the amount reserved, \$4,239 was reserved for computer equipment pending the Electronic Information Processing Steering Committee (EIPSC) approval, and \$69,400 was reserved pending identification of the consultant.

The total budget for computer equipment which was included in the original grant was \$10,979. However, \$6,740 of the total \$10,979 was never placed on reserve for computer equipment. Only the balance of \$4,239 was placed on reserve for computer equipment. Therefore, the DPH is currently requesting that \$4,239 be released for the purchase of computer equipment.

EIPSC has approved the Department's proposed computer purchases. A letter to that effect is in the file.

Recommendation: Release \$4,239 for computer equipment previously reserved pending EIPSC approval.

Item 2 - File 97-92-58

The proposed ordinance would amend Chapter 4 of the San Francisco Administrative Code by adding a new Section 4.21 to name the Civic Auditorium in honor of Bill Graham, as the "Bill Graham Auditorium."

The proposed ordinance states the following:

Bill Graham was respected by the music industry and appreciated by audiences for his top-quality concert productions and large-scale events that began in San Francisco 25 years ago.

Bill Graham used his resources to energize friends, family, schools, churches and businesses in supporting causes for the betterment of the community.

Bill Graham was regarded as an articulate spokesperson for rock and roll music, freedom of speech, artistic and human rights, environmental protection, and peace.

The talents of San Francisco musicians were recognized and promoted by Bill Graham, which led to the widespread success of such groups as Santana, Jefferson Airplane, and the Grateful Dead.

Bill Graham's opening of the Fillmore Auditorium and production of concerts in Golden Gate Park 25 years ago created an era in rock music that was widely enjoyed by residents of San Francisco and the Bay Area, and fostered a period that will carry nostalgia for a long-time to come.

Comment

Mr. Jack Moerschbaeher of the Convention Facilities Department states that a plaque commemorating Mr. Graham could be placed in the lobby of the Civic Auditorium. Mr. Moerschbaeher has not estimated the cost of such a plaque. Mr. Moerschbaeher indicates that to avoid incurring additional publication or materials costs, if the proposed ordinance is approved, existing stationery and promotional supplies will be exhausted before new materials are ordered that would include the new name of the Civic Auditorium.

Recommendation

Approval of the proposed ordinance to amend the Administrative Code to name the San Francisco Civic Auditorium after Bill Graham is a policy matter for the Board of Supervisors.

Item 3 - File 97-92-40

Note: This item was transferred from the City Services Committee meeting of September 15, 1992.

Item: Ordinance amending the City's Administrative Code by adding Section 5.108.A to establish a County Veteran Service Officer within the Office of the Chief Administrative Officer.

Description: State law authorizes the Board of Supervisors of each County to designate a County Veteran Service Officer (CVSO) and to provide the CVSO with appropriate staffing and other resources, in order to assist veterans to obtain State and Federal veteran's benefits. Although 55 of California's 58 Counties have such an Office, San Francisco does not.

The proposed ordinance would establish a County Veteran Service Officer within the Office of the Chief Administrative Officer (CAO) in order to administer aid to indigent veterans and to investigate claims for benefits under State or Federal law. The effort to establish such an office has resulted from the planned relocation of State and Federal Veterans Affairs offices from San Francisco to Oakland in March, 1993, which will diminish veterans' access to veterans service organizations.

On September 15, 1992, the City Services Committee recommended approval of the proposed ordinance, but recommended that the Finance Committee consider the impact of increased veterans benefits on General Fund expenditures for social services, as well as potential sources of funding, other than the General Fund, for the proposed CVSO.

The CAO has proposed to incorporate the CVSO with the Office of the Public Administrator/Public Guardian, which currently provides services to some veterans. The County Veteran Service Officer is required by California law to be a veteran. The current Public Administrator/Public Guardian is a veteran.

Under the CAO's proposal, the first year CVSO budget would be \$409,200. This amount would be partially offset by a State subvention estimated at \$40,000 in the first year, and also includes \$115,238 in salary and fringe benefits for existing staff in the office of the Public Administrator/Public Guardian. The CAO estimates that total new costs

to the City for the CVSO in the first year would be \$293,962. The Budget Analyst estimates total expenditures for an 8-month period in Fiscal Year 1992-93 at \$195,975. If the estimated State subvention of \$40,000 is received, net General Fund expenditures over 8 months are estimated at \$155,975.

Budget:

Personnel

	<u>FTE</u>	<u>Amount</u>
1126 Public Administrator	.25	\$20,795
4231 Sr. Estate Investigator	1.00	45,623
4230 Estate Investigator	2.00	82,892
2905 Sr. Eligibility Worker	1.50	62,169
1650 Accountant	.25	9,226
1446 Secretary II	<u>1.00</u>	<u>36,566</u>
Subtotal	6.00	\$257,271
Fringe Benefits (@ 25 percent)		<u>64,318</u>
Subtotal		\$321,589

Operating Costs

EDP Services	\$16,800
Travel	12,000
Miscellaneous Services	5,157
Telephone	4,760
Materials and Supplies	1,990
Rent (2,000 sq. ft.)	24,000
Real Estate Dept.	1,000
Central Shop-Maintenance	1,054
Central Shop-Fuel	500
Reproduction	<u>350</u>
Subtotal	67,611

Start Up Costs

EDP Services	\$4,000
Equipment Purchase	6,000
Automobile Purchase	<u>10,000</u>
Subtotal	<u>20,000</u>

Total \$409,200

Less Existing Public Administrator/Public Guardian Staff (115,238)

Net New First Year General Fund Contribution Required \$293,962

General Fund Contribution over 8 Months of FY 1992-93 \$195,975
(66.6 percent of First Year Cost)

Less Estimated State Subvention (40,000)

Net Estimated General Fund Contribution, FY 1992-93 \$155,975

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments:

1. Of the proposed \$409,200 budget for the County Veterans Service Office, \$115,238 would consist of existing personnel costs in the Office of the Public Administrator/Public Guardian (PA/PG). According to Mr. Ricardo Hernandez, the Public Administrator/Public Guardian, certain PA/PG positions, equivalent to 2.0 FTE, would be transferred to the CVSO budget because these employees currently perform services on behalf of veterans, including estate management and conservatorships. These activities would be incorporated into the functions of the CVSO. The classifications to be transferred would be the Public Administrator/Public Guardian (.25 FTE), Senior Eligibility Workers (1.5 FTE), and an Accountant (.25 FTE).

Mr. Hernandez states that salary and fringe benefit costs for these employees are now paid from the General Fund. Since the proposed \$409,200 CVSO budget includes \$115,238 for existing positions which are already funded, the amount of new funding needed to establish the CVSO for the first year is \$293,962.

2. If the CVSO is established on November 1, 1992, the General Fund contribution in Fiscal Year 1992-93 would be \$195,975.

3. The proposed budget includes a \$40,000 estimated subvention from the California Department of Veterans Affairs. Mr. Gerald Rucker of the California Department of Veterans Affairs reports that his office has estimated that \$40,000 in State funds would be allocated to San Francisco in 1992-93, based on the inception of services in November 1992.

Mr. Rucker reports that State subvention funds include \$2,500 to offset the salary of the County Veterans Service Officer and \$5,000 for administrative costs. Thus, a minimum of \$7,500 would be reimbursed by the State. The State also allocates subvention funds on the basis of claim forms filed and awards granted by the Federal Veterans Administration. Each claim form and each award generated by a CVSO counts as a single performance credit for the CVSO. Mr. Rucker has estimated that in addition to the \$7,500, the proposed San Francisco CVSO would receive \$32,500 for approximately 2,400 claim forms and awards during fiscal year 1992-93, resulting in a total estimated subvention of \$40,000 in 1992-93.

Performance-based State subventions are not awarded at an established rate. Rather, the State calculates the total number of claims filed each year State-wide and allocates available funds in proportion to a County's share of the total. The Budget Analyst notes that it is doubtful that by increasing the number of claims filed, a CVSO can significantly increase its share of the State subvention, because the increase in local claims would be a very small percentage of all claims State-wide.

Mr. Rucker indicates that legislation is currently pending before the State Legislature which would authorize additional funds for this program through the sale of customized vehicle license plates. Mr. Rucker reports that the State Department of Finance has estimated that this legislation would increase State allocations to CVSOs by approximately 12 percent, beginning in 1994-95. The Budget Analyst notes that a 12 percent increase in San Francisco's estimated 1992-93 State subvention of \$40,000 would result in a total State subvention of \$44,800.

4. The California Department of Veterans Affairs (CDVA) estimates that 76,490 veterans were residents of San Francisco in March, 1991, and that 8,498, or approximately 11 percent of these veterans were receiving veterans benefits. According to CDVA, the average monthly payment to benefit recipients in Northern California in 1990 was \$449, compared to an average monthly payment of \$339 to veterans residing in San Francisco. CDVA estimates that if average monthly benefit levels for San Francisco's veterans were to increase by \$110 to \$449, equal to the Northern California average monthly payment, through the efforts of a CVSO, then San Francisco veterans would realize additional annual income of approximately \$11.2 million. However, there is no firm documentation that this increase would be achieved. The Budget Analyst notes that if this estimate is accurate, the City could realize higher tax revenues if veterans expend higher levels of income within the City.

5. The CDVA reports that establishing a San Francisco CVSO could result in reductions in General Assistance payments to veterans who qualify for veterans benefits. However, there is no firm documentation that such reductions would be achieved.

According to Ms. Dorothy Enisman of the San Francisco Department of Social Services (DSS), General Assistance eligibility workers do not currently apply to the U.S.

BOARD OF SUPERVISORS
BUDGET ANALYST

Veterans Administration (USVA) for benefits on behalf of veterans who apply for General Assistance. DSS does request information from the USVA concerning whether the applicant is currently receiving veterans benefits. Ms. Enisman estimates that in 99.9 percent of cases, such an inquiry to the USVA on behalf of an identified veteran reveals that the veteran is not receiving veterans benefits.

According to Mr. Hernandez, Social Service Departments in other California Counties ordinarily refer General Assistance applicants who are veterans to the CVSO to evaluate their eligibility for veterans benefits. Mr. Rucker states that a standard form issued by the California Department of Social Services is available for this purpose, and that State subvention funds to County CVSO's are based in part on MediCal cost avoidance activities. Mr. Hernandez states that he would organize a similar referral process between the CVSO and the Department of Social Services (DSS) in San Francisco, if the CVSO is created.

6. The Budget Analyst has contacted representatives of Swords to Plowshares, Disabled American Veterans, and the Monterey and Sacramento County Veterans Service Officers in an effort to understand veterans' eligibility for benefits. The following explanation of veterans benefits is based on these discussions.

The monetary benefits which are available to qualified veterans, and which could potentially offset County General Assistance expenditures for veterans, include Disability Compensation and Pensions.

Disability Compensation requires a showing that the veteran has been partially or totally disabled as a result of military service. Benefits for such service-connected disabilities are paid in proportion to the extent of the disability (from 10 to 100 percent, as determined according to VA guidelines). The amount of the benefit ranges from \$83 per month for a 10 percent disability to \$1,680 per month for full disability.

Disability Compensation would reduce a veteran's eligibility for General Assistance on a dollar-for-dollar basis. At a disability rating of 40 percent, the disability compensation of \$342 per month would essentially eliminate the maximum General Assistance award of \$345 per month. However, to qualify under this program, it must be shown that the veteran's disability resulted directly from his or her military service. In addition, the

disability cannot be the result of "willful misconduct." The USVA regards alcohol or drug use which results in disability to be "willful misconduct," although such use can also be regarded as symptomatic of certain recognized disorders, such as Post Traumatic Stress Disorder. Veterans' advocates report that claims for service-connected disabilities must be carefully analyzed, prepared, and documented in order to be successful.

Pensions are provided to veterans who are permanently and totally disabled for any reason, have limited income, and have at least 90 days of military service, including at least one day during a period of war. Pensions provide a subsistence level of income, currently equal to \$7,397 annually for a veteran with no dependents, but pensions are reduced if the veteran has other sources of income or significant assets. Although a pension is available regardless of the reason for the disability, the disability must be total. Persons with total disabilities may already be less likely to receive General Assistance, since they are often eligible for Federal Supplemental Security Income.

7. DSS does not maintain statistics concerning the number of General Assistance recipients who are veterans. However, a recent DSS survey indicates that 28 percent of GA applicants in 1989 were age 41-60 (persons who were of military age during the Vietnam conflict), while another 34.5 percent were age 31-40 (including some who were of military age during Vietnam). Among GA recipients who received benefits for more than one year, approximately 6.5 percent had a psychological disorder and approximately 54 percent had significant health problems or disabilities which prevented them from working.

Since Ms. Enisman reports that almost every veteran who applies for General Assistance is found not to be receiving any veterans benefits, and DSS does not apply for such benefits, the Budget Analyst believes that a reasonable potential does exist to offset General Assistance payments for veterans by seeking disability compensation and pensions. However, the amount of savings which could be realized, if at all, cannot be quantified since statistics are not available concerning the veteran status of GA recipients.

8. Veterans who have at least a 20 percent service-connected disability, or who receive a VA pension due to full disability regardless of cause, are eligible for health care benefits through Veterans Administration facilities. The

BOARD OF SUPERVISORS
BUDGET ANALYST

Budget Analyst notes that such health care benefits could offset the cost of health care provided through County facilities, although the fiscal effects of any such benefit cannot be established at this time. Veterans with these disabilities are also eligible to receive vocational rehabilitation through the Veterans Administration.

9. Certain types of veterans benefits are available to spouses and dependents of veterans. These benefits include a non-service connected death benefit, subject to income guidelines, for survivors of war-time veterans.

Mr. Hernandez states that a particular need exists in San Francisco for assistance to Asian-American veterans and their spouses, widows, or children, particularly those who are Vietnamese or Filipino. Mr. Hernandez states that Federal legislation was enacted earlier this year which recognized the U.S. citizenship claims of veterans who served in the Philippine Scouts, and who may now be eligible for veterans benefits for the first time. Mr. Hernandez also reports that the homeless population is thought to consist of large numbers of veterans, who could receive assistance in obtaining benefits through a CVSO.

10. According to Ms. Kym Valdez, Human Services Program Director for Swords to Plowshares, a non-profit veterans services agency, applications for veterans benefits are extremely complex and the benefits are often difficult to obtain. Ms. Valdez states that the U.S. Veterans Administration, through its regional offices, usually does not assist veterans in filing claims, but expects claims to be complete and fully documented before they will be considered. Mr. Hernandez states that the State of California established the State network of CVSO offices in response to the lack of Federal outreach to veterans and the difficulty veterans faced in obtaining benefits.

All of the veterans benefit counselors who were contacted for this report have emphasized that success in obtaining veterans benefits requires aggressive advocacy efforts and considerable proficiency in benefit requirements.

11. Under State law, the County Veterans Services Officer is required to be a veteran. Mr. Hernandez, who would serve as the CVSO, is a veteran. According to the City Attorney's Office, to combine the positions of PA/PG and CVSO at this time would not require that all future candidates for the position of Public Administrator/Public Guardian must also be veterans. However, if a non-veteran

PA/PG is appointed in the future, according to the City Attorney's Office, the CVSO position would have to be transferred elsewhere.

12. Mr. Hernandez reports that a request for a supplemental appropriation was submitted to the Mayor with the proposed ordinance, but that the Controller has not certified that funds will be available. On July 20, 1992 a proposed ordinance (File No. 102-92-4) was submitted to the Board of Supervisors to amend the Interim Annual Salary Ordinance to add the 4 new positions which are included in the proposed CVSO budget, but the proposed ordinance has not yet been considered by the Finance Committee. If the CVSO is established, the proposed budget should be evaluated in detail at the time the requested appropriation is considered.

13. The Budget Analyst considers this program, which would add 6 new FTEs, to be a worthy program, but cautions against all new expenditures given the City's fiscal problems. As previously noted, the total annual cost for this new program is \$409,200, of which the additional General Fund expenses in the first year would be \$293,962.

14. Since the Controller has not yet certified that funds would be available for the CVSO if the agency is established, Mr. Hernandez has requested that the proposed ordinance to establish the office be continued to the call of the chair.

Recommendation: Continue the proposed ordinance to the call of the Chair, as requested by the Public Administrator/Public Guardian.

Item 4 - File 188-92-1

- Department:** Public Utilities Commission (PUC)
Hetch Hetchy
- Item:** Hearing to consider the fiscal impact of the 1987 contracts with Pacific Gas and Electric and the Modesto and Turlock Irrigation Districts for the purchase and sale of Hetch Hetchy hydroelectric power.
- Description:** On February 29, 1988, the Board of Supervisors passed Ordinance 87-88 (File 446-87-4.1) which approved long term agreements between Modesto and Turlock Irrigation Districts (MID & TID) and the City and County of San Francisco. The terms of the agreements are from April 1988 to June 2015 or 27 years and three months. Under these long term agreements, the City has agreed to the delivery of Hetch Hetchy hydroelectric power to the Districts including Class 1 loads of the MID & TID (power for irrigation pumping and District municipal purposes) and Class 3 loads (energy resold by the MID and TID to its customers).
- Hetch Hetchy is obligated to sell Class 1 power to the MID and TID at cost because of the agreements and, according to Hetch Hetchy, the Districts' prior water and hydroelectric power rights identified in the Raker Act. Hetch Hetchy sells Class 3 power to the MID and TID at a higher negotiated rate and in accordance with subject agreements. Under the agreements, Hetch Hetchy must provide all Class 3 hydroelectric power demanded by the Districts, up to Hetch Hetchy's "Project Dependable Capacity" (see Comment 3 below) at contractually specified rates, regardless of whether Hetch Hetchy is actually generating sufficient power or must purchase additional power from PG&E. Power not used for Class 1 purposes is deemed to be Class 3 power and is paid for at the higher rate.
- Hetch Hetchy reports that over a 16 month period (March 1991 through June 1992) revenues derived from the sale of hydroelectric power to MID and TID exceeded the cost of power purchased from PG&E by \$414,841 (see Attachment 1). Hetch Hetchy's reported financial data is summarized as follows:

<u>Month/Year</u>	<u>Purchase of Power from PG&E</u>	<u>Sale of Power to MID/TID</u>	<u>Gain/Loss</u>
Mar-1991	\$797,366	\$660,247	(\$137,120)
Apr-1991	3,027	3,958	931
(May-1991 through Aug-1991 - no purchases or sale of purchase power)			
Sep-1991	941,546	1,232,529	290,983
Oct-1991	709,320	782,798	73,478
Nov-1991	958,476	1,032,539	74,063
Dec-1991	1,061,560	1,092,571	31,011
Jan-1992	914,205	878,436	(35,769)
Feb-1992	793,616	910,878	117,263
(Mar-1992 through Jun-1992 - no purchases or sale of purchase power)			
Totals	<u>\$6,179,116</u>	<u>\$6,593,956</u>	<u>\$414,840</u>

The City also has a 27 year and three month contract (April 1988 to June 2015) with Pacific Gas and Electric Company (PG&E) for services and power purchase on an "if and as needed" basis. The prices under the contract are at rates subject to renegotiation periodically. The contract specifies that Hetch Hetchy will receive firming services from PG&E (fixed charges for capacity reserves whether actually used or not by Hetch Hetchy) necessary to support the "Project Dependable Capacity".

Comments:

1. Hetch Hetchy reports that over the last 16 months their costs of capacity reserves purchased from PG&E have resulted in a savings of \$1,065,880 (see Attachment 2). The \$1,065,880 is characterized by Hetch Hetchy as "what we avoided paying for capacity." Hetch Hetchy's monthly cost to PG&E for a 59,800 kilowatt capacity reserve at a wholesale price of \$6.25 per kilowatt is \$373,750 and over a 16 month period that cost totals \$5,980,000 (\$373,750 x 16). Based on actual use of reserve capacity, which if purchased at a higher cost of \$16.499 per kilowatt from PG&E, would be according to Hetch Hetchy, \$7,045,880 during that 16 month period.

According to Mr. Lawrence Klein, Deputy General Manager of Hetch Hetchy, this is a valid comparison since Hetch Hetchy is precluded from purchasing capacity reserve elsewhere without five years notice to PG&E by the agreement with PG&E, and therefore would have to pay PG&E rates without the availability of capacity reserves from PG&E.

BOARD OF SUPERVISORS
BUDGET ANALYST

The Budget Analyst notes however, that neither the capacity reserve costs nor the charges for purchased power would be needed if it were not for the provisions of the agreements with MID and TID.

2. The Budget Analyst further notes that the cost of PG&E provision of adequate reserve power to meet Modesto and Turlock Irrigation District demands, up to Hetch Hetchy's "Project Dependable Capacity" (see Comment 3 below), would be totally avoidable except for the fact that the provisions of the 1987 agreements with the Districts require Hetch Hetchy to meet such demands and that the demands can only be met through the agreement between Hetch Hetchy and PG&E.

Therefore, if these agreements had not been approved in their present form, Hetch Hetchy would not have incurred the capacity reserve costs or any incremental costs for purchased power to meet the demands of the Districts for Class 3 power.

Assuming that Hetch Hetchy could have sold any available hydroelectric power at wholesale rates at least equivalent to rates paid by the Districts for Class 3 power purchases, Hetch Hetchy would not have incurred capacity reserve charges of \$5,980,000 or net revenues, according to Hetch Hetchy's figures, of \$414,840, for purchased power since March 1991. The net cost to Hetch Hetchy therefore would amount to \$5,565,159 (\$5,980,000 in capacity reserve costs less \$414,841 in reported net revenue) based on data supplied by Hetch Hetchy.

Mr. Klein reports however, that without the firm power supply provided by the PG&E agreement, the City would not have realized equivalent revenue as has been received from the District for Class 3 power.

3. The provisions of the current long term agreements between the City and the Modesto and Turlock Irrigation Districts include:

- The full cost of the support charge for PG&E firming services, less \$700,000 paid by the Districts as part of their Class 1 rates, must be paid by Hetch Hetchy. Such services are in effect a guarantee by PG&E to provide sufficient capacity reserves to support the level of power and energy to be provided by Hetch Hetchy. Under the interim agreement (1985 to 1988) the City shared that cost equally with the Districts.

- The City agrees to meet priorities for delivery of Hetch Hetchy hydroelectric power, as follows:

- City municipal loads;
- Class 1 loads of the Districts per requirement of Raker Act;
- Class 3 power to the Districts (energy resold by the Districts to its customers);
- Airport Tenants and Riverbank Army Munitions Plant (operated by Norris Industries).

- The Districts will have the right to purchase either one half of all excess energy or all such energy above the requirements of Airport Tenants.

- The Districts have rights to purchase any increase in future Hetch Hetchy "Project Dependable Capacity" (an agreed minimum generation capacity Hetch Hetchy is able to produce, even in a dry year, approximately 260,000 kilowatts).

- The City's rights to withdraw firm capacity from the Districts, for the City's municipal purposes, after providing five years advance notice.

4. According to Mr. Lawrence Klein of Hetch Hetchy, all charges for hydroelectric energy to the Districts, as identified in Attachment 1, except for March 1991, are for Class 3 energy loads. For March 1991, the total 23,894,700 Kw hours sold to MID and TID for \$660,247 are divided between 15,425,000 Kw hours for Class 1 power (\$208,884) and 8,469,700 Kw hours for Class 3 power (\$451,363).

5. Mr. Klein also advises that the City, under its contract with PG&E, presently has not identified an alternative source to its purchase of capacity reserve other than PG&E. However, Mr. Klein states that the City would be required to give PG&E notice that the City has selected an alternative to its current purchase of energy capacity reserve from PG&E and that such a notice would trigger a renegotiation of the City's contract because the selection of an alternative energy supplier would change the contract's "balance of benefits".

Mr. Klein further advises that the City has recently become a member of the Western Systems Power Pool (WSPP) which would permit the City to purchase supplemental energy from a WSPP member at a lower rate than the rate charged by PG&E. This has resulted in \$688,000 in savings, as opposed to

BOARD OF SUPERVISORS
BUDGET ANALYST

purchases from PG&E supplemental energy, since July 1, 1992.

6. The Budget Analyst further notes that the subject of this hearing requested by the Finance Committee is to consider the "fiscal impact of the 1987 contracts". However, the data provided by Hetch Hetchy only covers the period of March, 1991 through June, 1992. These data were prepared by Hetch Hetchy in response to a recent newspaper article and not in response to the Finance Committee's request for a hearing.

The Budget Analyst has therefore requested the following data on a monthly basis for the full term of the current agreements:

- The amount, in kilowatt hours, of Class 1 power and payments for such power consumed by both the Modesto and Turlock Irrigation Districts;
- The amount, in kilowatt hours, of Class 3 power and payments to Hetch Hetchy for such power consumed by both the Modesto and Turlock Irrigation Districts;
- The full monthly costs for capacity reserve payments to PG&E;
- The full cost and amount of power purchased from PG&E to meet the power consumption demands of the Modesto and Turlock Irrigation Districts;
- The incremental payments made by the Modesto and Turlock Irrigation Districts for the power purchased from PG&E; and
- Any available market data that would provide reliable estimates of alternative revenues that could be realized by Hetch Hetchy if they were not bound by these agreements.

7. Due to the unavailability of management personnel, Hetch Hetchy has requested that this hearing be continued one week.

Recommendation: Continue this item one week.

Hetch Hetchy Water & Power

Comparison of Costs of Power Purchased from PG&E for resale to the Districts and the revenue derived from that sale

Month	PG&E Billings	PG&E Billings			District Billings					
		(1)			(2)				(3)	(4)
	What SF paid PG&E (Total)	What SF paid PG&E for power to be sold to the Districts			Districts, Total Class-3 Firm Energy		Districts Class 1 Power (purchased from PG&E)	What SF charged Turlock & Modesto for Power purchased from PG&E	San Francisco's net benefit/(cost)	
		kW-Hrs	\$/kW-Hr	\$/s	kW-Hrs	\$/s				
Mar-91	\$2,453,968	23,894,700	\$0.03337	\$797,366	8,469,700	\$451,363	15,425,000	\$208,884	\$660,247	(\$137,120)
Apr-91	\$1,966,670	97,748	\$0.03097	\$3,027	18,407,750	\$745,409			\$3,958	\$931
May-91	\$1,491,360	0	n/a		43,498,245	\$1,352,143			\$0	\$0
Jun-91	\$1,514,403	0	n/a		41,247,512	\$1,219,685			\$0	\$0
Jul-91	\$1,584,159	0	n/a		48,098,850	\$1,628,519			\$0	\$0
Aug-91	\$1,895,450	0	n/a		45,446,850	\$1,606,062			\$0	\$0
Sep-91	\$2,865,104	36,836,685	\$0.02556	\$941,546	44,932,900	\$1,503,422			\$1,232,529	\$290,983
Oct-91	\$2,800,371	22,390,157	\$0.03168	\$709,320	43,408,950	\$1,517,652			\$782,798	\$73,478
Nov-91	\$3,071,512	27,629,752	\$0.03469	\$958,476	46,881,400	\$1,751,984			\$1,032,539	\$74,063
Dec-91	\$3,031,081	30,787,692	\$0.03448	\$1,061,560	54,656,950	\$1,939,626			\$1,092,571	\$31,011
Jan-92	\$2,992,432	25,380,480	\$0.03602	\$914,205	58,871,600	\$2,037,586			\$878,436	(\$35,769)
Feb-92	\$2,764,473	25,178,162	\$0.03152	\$793,616	51,239,230	\$1,853,698			\$910,878	\$117,263
Mar-92	\$1,565,540	0	n/a		49,848,403	\$1,847,918			\$0	\$0
Apr-92	\$1,521,744	0	n/a		43,405,333	\$1,613,933			\$0	\$0
May-92	\$1,511,281	0	n/a		38,453,403	\$1,408,652			\$0	\$0
Jun-92	\$1,820,740	0	n/a		35,949,616	\$1,295,474			\$0	\$0
										\$414,841

In these months generation was so low that we purchased energy to meet both our Class 1 And Class 3 power obligations to the Districts. The kW-Hrs and \$/s of Column (2) reflect this mixed rate sale. Note: Col. (2) is used to calculate an average revenue (\$/kW-Hr) used to calculate the revenue in Col (3).

Hetch Hetchy Water & Power						
Costs of capacity reserve purchased from PG&E compared to costs avoided when purchasing supplemental energy.						
	(1)			(2)	(3)	(4)
	What we paid for capacity reserve			The prepaid capacity we used (kW-Mo)	The Rate we avoided paying \$/kW-Mo	What we avoided paying for capacity
	kW	\$/kW	\$'s	kW	\$/kW	\$'s
Mar-91	59,800	\$6.25	\$373,750	0		
Apr-91	59,800	\$6.25	\$373,750	59,800	\$16.499	\$986,640
May-91	59,800	\$6.25	\$373,750	59,800	\$16.499	\$986,640
Jun-91	59,800	\$6.25	\$373,750	0	\$16.499	
Jul-91	59,800	\$6.25	\$373,750	0	\$17.678	
Aug-91	59,800	\$6.25	\$373,750	0	\$17.678	
Sep-91	59,800	\$6.25	\$373,750	0	\$17.678	\$0
Oct-91	59,800	\$6.25	\$373,750	0	\$17.678	\$0
Nov-91	59,800	\$6.25	\$373,750	0	\$17.678	\$0
Dec-91	59,800	\$6.25	\$373,750	59,800	\$17.678	\$1,057,144
Jan-92	59,800	\$6.25	\$373,750	59,800	\$17.678	\$1,057,144
Feb-92	59,800	\$6.25	\$373,750	59,800	\$17.678	\$1,057,144
Mar-92	59,800	\$6.25	\$373,750	59,800	\$17.678	\$1,057,144
Apr-92	59,800	\$6.25	\$373,750	47,744	\$17.678	\$844,022
May-92	59,800	\$6.25	\$373,750	0	\$17.678	
Jun-92	59,800	\$6.25	\$373,750	0	\$17.678	
			\$5,980,000			\$7,045,880
	Net benefit of prepaid capacity reserve =					\$1,065,880

Item 5 - File 42-92-25

Item: Resolution waiving the requirement that the sponsor of the Annual Halloween street closing in the Castro Street area provide insurance and waiving all fees except for the street closure permit filing fee and the loudspeaker permit filing fee.

Description: According to Section 2.70-3 of the Administrative Code, sponsors of events attended by more than 1,000 persons are required to provide an insurance policy naming the City as an additional insured, in an amount of \$1 million or more. This insurance requirement may be waived by the Board of Supervisors if the event constitutes the exercise of rights protected under the First Amendment, and the event sponsor submits a sworn statement of indigency.

According to Section 2.70-6(f) of the Administrative Code, the Interdepartmental Staff Committee on Traffic and Transportation (ISCOTT) determines the fees to be paid by events sponsors (aside from the standard Street Closing Permit Filing Fee, at \$80, which is paid by all events sponsors), based on the actual costs to the City of the temporary street closing, pursuant to the following schedule:

Fire Department fee:	\$129.00
Public Health Application Fee:	50.00
Public Health Permit Fee	25.00
Public Health Fee Per Booth Selling Food	10.00
Municipal Railway Fee:	4.42
(per electrically powered vehicle hour)	
Police Department:	up to \$2,500.00
(based on 40 percent of the projected Police Department costs)	

Any fees paid by events sponsors are to be deposited to the City's General Fund and credited to the departments which incurred the costs. The Administrative Code includes a provision for waiving only the Police Department fees, not for waiving any other fees. However, according to Mr. Ted Lakey of the City Attorney's Office, since these fees are imposed by the Board of Supervisors, the Board of Supervisors has the inherent power to waive such fees.

The Sisters of Perpetual Indulgence, a non-profit organization, organizes the Annual Halloween street closing in the Castro Street area. According to the proposed resolution, the street closing is intended to further educational and First Amendment objectives. The Sisters of Perpetual Indulgence has submitted a sworn statement that

BOARD OF SUPERVISORS
BUDGET ANALYST

the organization is indigent and does not have the resources to pay for the insurance and fees required by the City to conduct this event, according to the proposed resolution. Therefore, the proposed resolution would waive the requirements for insurance and any fees that would be required by the City, except fees for the Street Closure Permit fee, at \$80, and the loudspeaker permit filing fee, at \$30, pursuant to Administrative Code Section 2.71.

Comments:

1. The cost to the City of waiving fees for the Annual Halloween street closing are estimated to be \$2,704 plus \$4.42 per Municipal Railway vehicle hour.

2. According to Mr. Keith Grand, the City's Risk Manager, the costs of waiving the insurance requirement are potentially very high. Mr. Grand advises that California law specifies joint and several liability. Under joint and several liability, each party that is named as co-defendant in any suit is liable for up to the entire amount of awarded damages. Thus, if a severe injury or substantial damage to property is sustained by a spectator, participant or adjacent property owner of the Castro Street Halloween event, and the City as well as the sponsor of the event is named as a co-defendant in a lawsuit, the City would most likely be required to pay the full amount of the damages, since the sponsor of the event, the Sisters of Perpetual Indulgence, is indigent. The amount owed by the City would not be contingent upon the City's relative negligence, but rather would be contingent upon the City's ability to pay relative to the other co-defendants, Mr. Grand advises. Therefore, the cost of waiving insurance for the Halloween event is potentially very high.

3. Mr. Grand advises that the Risk Manager's Office has negotiated an insurance package for a number of major events conducted in San Francisco. Through this insurance package, organizations can purchase insurance at less than the market rate. Ms. Kary Schulman of the Grants for the Arts Program advises that all of the participants in the package receive funding from Grants for the Arts. In addition, each organization that participates in an event, such as vendors and performers, are encouraged to be separately insured in order for the event's primary sponsor to participate in the insurance package.

4. Major events sponsored by organizations that participate in the insurance package include the Saint Patrick's Day Parade, Carnival, Minsok, 24th Street Festival, the Columbus Day Parade, the Veteran's Day Parade, Cinco de Mayo, the Martin Luther King Celebration, and June Teenth. The Gay/Lesbian Freedom Day Parade and the Chinese New

BOARD OF SUPERVISORS
BUDGET ANALYST

Year celebration were offered participation, but chose to provide their own insurance. The premiums range from less than \$1,000 for the smaller activities that do not include a parade to over \$6,000 for the major outdoor celebrations.

5. Mr. Grand advises that the City may wish to consider assisting the Sisters of Perpetual Indulgence to support the cost of insurance for the Halloween event, rather than waiving the insurance requirement. Ms. Schulman advises that the Grants for the Arts would not be an appropriate source of funds to pay such insurance costs, since the Halloween event is a fundraising event, and the Grants for Arts, as a City department, is prohibited from financing fundraising events. Ms. Schulman advises that supporting the insurance costs for one organization may also set a precedent for a variety of organizations to request support for such costs.

6. The Finance Committee cannot forward this legislation to the Board of Supervisors until at least October 12, 1992, and the Annual Halloween street closing occurs on Saturday, October 31, 1992. Therefore, the Sisters of Perpetual Indulgence would most likely not have adequate time to locate insurance or raise adequate funds to pay for insurance. However, the Board of Supervisors may wish to consider waiving the insurance requirement for the 1992 Halloween event, with the caveat that the event sponsor will be required to provide insurance in ensuing years. The event sponsor would therefore have one year to fundraise for insurance costs, for example, from Castro Street vendors who may also be subject to lawsuits and who would directly benefit from the provision of insurance. Alternatively, funds for insurance in 1993 could be set aside from any monies raised during the 1992 Halloween event.

7. The Board of Supervisors has waived insurance and other fee requirements for the annual Halloween street closing in the Castro Street area every year since the event sponsors have applied for an official street closing, according to the Department of Parking and Traffic.

8. According to Administrative Code Section 2.71, sponsors of street fairs are required to pay the fees noted above, and sponsors of athletic events which result in temporary street closures are required to entirely reimburse the City for costs associated with such street closures. Sgt. Tony Novello of the Police Department reports that a number of events that result in temporary street closings, such as parades and celebrations, cannot be classified as street fairs or athletic events. For these events, no fees or costs are recovered by the

BOARD OF SUPERVISORS
BUDGET ANALYST

City except for the street closure permit filing fee. There were 172 public events in 1991-92 for which street closure applications were filed.

9. The Department of Parking and Traffic chairs ISCOTT, which is the organization responsible for determining the amount of fees owed for an individual event. According to Mr. Johnson, when a street application is approved, ISCOTT notifies the event sponsor in writing of the amount owed to each department pursuant to the Administrative Code. Each individual department is responsible to collect such fees. If the event sponsor does not pay the fees, and if the departments notify ISCOTT to that effect, the event sponsor cannot receive permit approval in ensuing years until all back fees are paid.

10. For street fairs, but not for athletic events, the Administrative Code currently authorizes fees for:

- the Department of Public Health, including permit, filing, and food booth fees;
- the Fire Department; and
- the Municipal Railway.

The Administrative Code further treats street fairs and athletic events differently as follows:

- For athletic events, full reimbursement for the Department of Public Works is authorized, but for street fairs, no reimbursement for Department of Public Works costs is authorized.
- For athletic events, full reimbursement for Police Department costs is authorized, but for street fairs, only 40 percent of Police Department costs are reimbursable, up to \$2,500.

Finally, the Department of Parking and Traffic is not authorized to receive any cost reimbursement, aside from the \$80 Street Closing Permit Filing fee.

11. Sgt. Novello advises that the Police Department incurred the following costs for enforcement for Halloween festivities in 1991:

Exotic Erotic Ball (October 26, 1991)	\$10,168
City-wide Halloween Celebration	2,313
Polk Street	7,499
Castro Street	<u>67,881</u>
Total	\$87,861

Lt. Novello advises that none of these events is classified as a street fair or an athletic event, which are the only two types of events for which Police costs may be recovered. Therefore, under the current fee schedule, the maximum amount of Police costs that could be recovered from the total \$87,861 incurred would be \$2,500, or 40 percent of Police costs for the Castro Street celebration, with a maximum of \$2,500.

12. Additional revenues could be generated by the City if: (1) Fire Department, Public Health, and Municipal Railway fees were collected for athletic events; (2) full Police Department and Department of Public Works costs were collected for street fairs; and (3) reimbursements were collected for the traffic control and other costs of the Department of Parking and Traffic. In addition, the Fire Department, Public Health, and Municipal Railway fees as collected for street fairs may not represent full cost reimbursement, and additional revenue might be generated if the fee schedules were adjusted to compensate departments entirely for their costs for street closings.

13. In June, 1992, legislation was introduced which would have permitted 100 percent cost recovery for all street closures for the Department of Parking and Traffic and the Police Department (File 97-92-30). Such cost recoveries were anticipated to generate \$300,000 in revenue for the Police Department alone. This legislation was continued and has not been recalendared.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 6 - File 51-92-2

The proposed item transmits the claims of various City employees for reimbursement for personal property damaged and/or stolen in the line of duty.

Section 10.25-1 of the San Francisco Administrative Code authorizes the Controller to provide reimbursement to City employees to recover part or all of the costs of replacing or repairing equipment or property which has been damaged or destroyed in the line of duty without the fault of the City employees. The Controller recommends reimbursement after reviewing the claim submitted to the Controller, and after reviewing the Department Head's certification to the Controller that the damage occurred in the line of duty and that the amount certified for payment is fair and reasonable.

Comments

1. The proposed claims are for the period April, May and June, 1992.
2. The Controller's Office intends to request that this item be continued to the Finance Committee meeting on October 14, 1992, in order to allow the Department additional time to review these City employee claims.

Item 7 - File 47-92-5.1

Departments: Parking Authority
 Real Estate

Item: Resolution to reject the bid of B.L. Hom Corporation in response for bids for management of the Polk-Bush Garage and to award the bid to City Parking, the lowest, responsive and reasonable bidder.

Description: The Polk-Bush Garage is a new City-owned parking facility located at the southeast corner of Bush and Polk Streets. The garage is scheduled to be completed by November of 1992. The garage has an estimated construction cost of \$4,125,000 and is being paid for by previously appropriated Off-Street Parking Funds. The new garage will include an annex that is located on Bush Street. The annex is currently a metered parking facility which the City leases from the San Francisco Unified School District. The Polk-Bush Garage has 132 parking spaces and is projected to serve approximately 12,500 vehicles per month. The annex will be converted from the existing 38-space metered parking facility to a 30-space monthly parking facility.

In August, the Board of Supervisors previously approved an ordinance (File 47-92-5) to authorize a management agreement for operation of the Polk-Bush Garage and annex. Under a management agreement, after deduction of parking tax and payment of rent on the annex property, the garage operator would receive a monthly management fee based on the monthly cost to operate the garage paid from the gross parking revenues. The garage operator would also be reimbursed for the costs of property insurance and the possessory interest tax. The balance of revenues after payment of the management fee and other expenses would accrue to the City's Off-Street Parking Fund. The management agreement provides that the monthly management fee would be adjusted annually according to the Consumer Price Index.

BOARD OF SUPERVISORS
BUDGET ANALYST

Five bids were received on September 14, 1992, as follows:

	<u>Monthly Management Fee</u>
B.L. Hom Corporation	\$200
City Parking	13,079
American Vantage	15,900
Car Park	16,800
City Park	17,137

According to the Real Estate Department, B.L. Hom Corporation has reported that its bid was based on a misunderstanding of the Invitation for Bids and its bid is not realistic. B. L. Hom has requested that its bid be withdrawn. The Director of the Parking Authority and the Director of Property have determined that the low bid from B. L. Hom Corporation is not responsive or reasonable. Therefore, the management agreement for operation of the Polk-Bush Garage should be awarded to the second lowest, responsive and reasonable bidder, City Parking.

Comments:

1. The Parking and Traffic Commission approved the management agreement with City Parking on September 15, 1992.
2. The Parking Authority estimates that the Polk-Bush Garage and annex will initially generate gross annual revenues of approximately \$250,000 and \$25,000 respectively, for a total projected gross revenue of \$275,000 annually. The Parking Authority estimates that \$55,000 of the \$275,000 would be deducted for parking tax, based on a 25 percent parking tax, leaving a balance of \$220,000. Of the remaining \$220,000, the Parking Authority estimates that \$12,000 would be paid to the Unified School District for rental of the annex property, the management fee of \$156,948 (\$13,079 monthly) would be paid to City Parking, and a balance of \$57,052 less the operator's expenses for property insurance and possessory interest tax would accrue to the City's Off-Street Parking Fund. Mr. Kevin Hagerty, Director of the Parking Authority, states that estimates of the costs of property insurance and possessory interest tax have not been made because this is the first time that a management agreement has been used and because there are no other garages with comparable characteristics to the Polk-Bush Garage that can be used as a basis for these estimates. In Mr. Hagerty's opinion, these costs for property insurance and possessory interest tax will not exceed the \$57,052 net income.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
October 7, 1992

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 8 - File 64-92-23

Departments: Real Estate
Police, Narcotics Bureau

Item: Resolution authorizing a three year lease to renew an agreement previously authorized as a license for the use of real property.

Location: Building 128, Hunters Point Annex

Purpose of Lease: Storage of automobiles confiscated by the Police Department during drug raids.

Lessor: U.S. Department of the Navy

No. of Sq. Ft. and Cost per Month: Approximately 5,000 sq. ft. @ \$0.22 per sq. ft. = \$1,100

Annual Cost: \$13,200

% Increase Over 1991-92: 10 percent increase

Term of Lease: July 1, 1992 through June 30, 1995 (three years)

Source of Funds: Narcotics Forfeiture and Asset Seizure Fund

Comments:

1. According to the Department of Real Estate, when the monthly rent was \$1,000 and the agreement was renewed annually the agreement could be in the form of a license, but now that the rent payments exceed \$1,000 monthly, a formal lease agreement is required.
2. According to the terms of the proposed lease, continuation of the proposed lease beyond the current fiscal year (1992-93) through fiscal years 1993-94 and 1994-95 would be subject to appropriation of funding for lease payments in the Police Department's 1993-94 and 1994-95 budgets.
3. The proposed lease would be retroactive to July 1, 1992. According to the Real Estate Department, additional time was required to initiate and process lease documents, when, subsequent to July 1, 1992, the Navy informed the Real Estate Department that the monthly rent would be more than \$1,000.

Recommendation: Amend the proposed resolution to authorize the proposed lease retroactive to July 1, 1992, and approve the proposed resolution as amended.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 9 - File 198-92-2

Department: Municipal Court

Item: Resolution to establish a fee to cover the administrative and clerical costs of processing installment accounts for the payment of fines imposed by the Municipal Court in criminal and traffic cases pursuant to Penal Code Section 1205(d).

Description: California Penal Code Section 1205, Subsection (d) allows the City to collect a fee to recover the administrative and clerical costs of processing fines imposed by the Courts that are being paid on an installment basis. According to the Penal Code the fee is to be equal to the actual administrative and clerical costs up to a maximum of \$30.

The Municipal Court estimates that the administrative and clerical costs of processing installment fine accounts is \$30 for each criminal case installment account and \$31 for each traffic case installment account. Therefore, the Municipal Court proposes establishing a \$30 fee in accordance with California Penal Code Section 1205, Subsection (d) to recover the costs of processing installment accounts.

Comments: 1. The Municipal Court indicates that approximately 11,000 new traffic fine installment accounts and approximately 2,000 new criminal fine installment accounts are created each year. The average traffic fine assessed is approximately \$600 and the average criminal fine assessed is approximately \$750. Based on a total of approximately 13,000 new installment accounts each year (11,000 traffic fine accounts and 2,000 criminal fine accounts), the proposed new fee would generate approximately \$390,000 in new revenue for the General Fund annually.

2. The Budget Analyst's recommendations for revisions to the 1992-93 budget for the Municipal Court stated, based on preliminary figures provided by the Municipal Court, that establishing a \$30 installment fee would result in \$315,000 in annual revenues and \$210,000 for the last eight months of Fiscal Year 1992-93. The revised figures provided by the Municipal Court of 13,000 installment accounts means that the estimate of annual revenues is \$75,000 higher than originally estimated (\$390,000 as opposed to \$315,000). For the last eight months of Fiscal Year 1992-93, the estimate of revenues is \$50,000 higher (\$260,000 as opposed to \$210,000).

Recommendation: Approve the proposed resolution.

Item 10 - File 65-92-13

Department: Recreation and Park Department

Item: The proposed ordinance would approve a lease between the Recreation and Park Department with Theatre Bay Area (TBA) to operate a discount ticket booth selling theatre tickets at Union Square Garage.

Location: The ticket booth is located in the unused Stockton Street entrance to the Union Square Garage.

No. of Sq. Ft. and Rent per Month: The proposed monthly rent is \$105 for 188 square feet or approximately \$0.56 per square foot or \$6.72 per year.

Annual Rent: \$1,260 plus five percent of net revenues over \$160,000.

Term of Lease: Five years with one five year option.

Description: The ticket booth at Union Square has been operated since 1982 by Performing Arts Services, which has done business under the name of STBS. STBS has had no lease with the Recreation and Park Department but has operated under a month to month revocable permit. STBS is paying an annual rental of \$1,250 per year or approximately \$104 per month.

The services offered by STBS and to be offered by TBA include selling day-of-the-performance theater tickets at half price to the public on a first come, first served basis; selling advance tickets for small non-profit theater companies (with a budget under \$500,000); and selling full priced tickets as a BASS ticket outlet. STBS provides a service to both the theater community by selling otherwise unsold tickets and to the public by selling tickets at half price.

According to the Recreation and Park Department, STBS has always been a marginal operation and filed for bankruptcy on January 24, 1991. While STBS is still currently operating the ticket booth, both STBS and the Recreation and Park Department have been seeking another operator for the ticket booth. Because the Recreation and Park Department has not been able to rent space in Union Square to for-profit operators (see Comment 2 below), a non-profit operator for the ticket booth was sought. Because STBS had previously initiated discussions with TBA and because the Recreation and Park Department determined that TBA was a reputable organization, the Recreation and Park Department has proposed that the Union Square space occupied by STBS be leased to TBA.

BOARD OF SUPERVISORS
BUDGET ANALYST

TBA was founded in 1975 by a group of theater owners interested in sharing information and resources and is the largest theater service organization in North America. The proposed lease represents the first time TBA has attempted to operate a ticket booth operation.

In addition to the services noted above, TBA would provide other benefits to the Recreation and Park Department. TBA would provide discount memberships to 50 individual members of the Recreation and Park Department's Young People's Teen Musical Theater as well giving free membership to the Theater as an organization. Additionally, TBA has agreed to stock, sell, and distribute information and tickets to Recreation and Park Department attractions or activities at no cost.

Comments:

1. TBA would pay \$1,260 in annual rent which is \$10 higher than the annual rent of \$1,250 that STBS is currently paying. According to Ms. Robin Burgstahler of the Recreation and Park Department, the \$160,000 base level revenues, above which TBA would pay five percent of their net revenues, represent the maximum annual revenues that STBS was able to achieve. Ms. Burgstahler adds that the Recreation and Park Department is hopeful that TBA will be able to manage the ticket sale concession in a more successful manner and that revenues will increase and result in the City receiving higher rent for the property (since the City would receive five percent of net revenues). Additionally, the five year lease option, if exercised, would provide for higher negotiated payments of between three and ten percent of gross revenues.
2. Ms. Burgstahler reports that the Recreation and Park Department has previously sought to seek commercial tenants who would pay market rates for another space at Union Square but withdrew its proposal because of strong opposition from downtown merchants.
3. Estimates prepared by the Real Estate Department for the Recreation and Park Department indicate that market rate rental rates for Union Square would be \$7.50 per square foot per month (or \$90 per square foot per year) plus six percent of gross revenues. Based on an estimate of \$160,000 in annual gross revenues, the annual payment to the City would be \$26,520 (\$16,920 in rental payments and \$9,600 based on gross revenues). This is \$25,260 more than the \$1,260 proposed lease with TBA.

Memo to Finance Committee
October 7, 1992

Recommendation: Because the proposed lease with TBA represents less than the fair market value for the Recreation and Park Department space at Union Square, approval of the proposed lease is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

Items 11 and 12 - Files 97-92-56 and 115-92-11

Department: City Planning

Items: Ordinance amending the San Francisco Administrative Code by amending Section 31.46A, concerning fees for zoning, public information, and construction services related to development projects and permit processing (File 97-92-56).

Ordinance amending Part II of the San Francisco Municipal Code (City Planning Code) by adding new Section 374 and renumbering Section 374 of Article 3.5A, to impose new fees for zoning and public information, construction services, and compliance activities related to development projects and permit processing (File 115-92-11).

Purpose: The Department of City Planning provides certain planning services to the public for which cost recovery is made in order to reduce dependence on the General Fund for those planning services and to provide levels of service that would not be possible under General Fund support levels. Currently, the Department recovers approximately 70 percent of its costs for development projects and permit processing services and is requesting to increase its cost recovery for those services so that the level of planning services may be maintained, and in some cases enhanced, in this period of decreased General Fund support. These fees relate to the review and approval processes performed by the Implementation Division of the Department of City Planning, including environmental reviews (File 97-92-56) and the review of planning authorizations and building permits (File 115-92-11).

Description: The proposed ordinance (File 97-92-56) would amend Section 31.46A, "Basic Fees," of the San Francisco Administrative Code, by introducing a new fee which would require an applicant for an "initial evaluation of a development project" under the environmental review provisions of the Administrative Code to pay, at the time of filing the application, an additional fee of \$125 in order to compensate the Department of City Planning for zoning and public information, and construction services, related to development projects and permit processing. Development projects are defined as projects that alter the use of land or structures thereon and may range in construction value from less than \$10,000 to more than \$100,000,000.

The proposed ordinance (File 115-92-11) would amend Article 3.5A, "Fees," of the City Planning Code by replacing Section 374, which is an administrative section titled "Period Article Is Operative," with a new Section 374. The new Section 374 would authorize the Department of City Planning to collect, at the time an applicant files an application for a planning authorization of the type listed below, an additional \$125 in order to compensate the Department for zoning and public information, construction services, and compliance activities related to development projects and permit processing. The planning authorizations or services for which the additional \$125 would be imposed are as follows:

<u>Planning Authorization or Service</u>	<u>Planning Code Section</u>
Conditional Use	351
Establish, Abolish, or Modify a Setback Line	351
Reclassify Property	351
Variance	351
Coastal Zone Permit	351
Review of Building Permit Applications	352
Review of Building Demolition Applications	353
Institutional Master Plans	356

The Department of City Planning estimates that the proposed fee increases would increase Departmental revenues on an annual basis by \$748,375, and by approximately \$460,000 for the balance of FY 1992-93, assuming implementation of the new fee by November 21, 1992. The FY 1992-93 increment of \$460,000 would offset a \$460,000 requirement to reduce the General Fund support in the Department's budget. The \$460,000 in revenues have been included in the Mayor's revised FY 1992-93 budget as a part of the City's response to the State's reduced level of support to the City.

The Department's revenue estimates from the proposed additional \$125 fee are based on the following application workload estimates for FY 1992-93, which are identical to the Department's actual workloads for FY 1991-92:

Application Type	FY 1992-93 Workload	Additional Revenues
Initial Evaluation (Environmental)	95	\$11,875
Conditional Uses	116	14,500
Setback Lines/ Reclassifications	10	1,250
Variances	181	22,625
Coastal Zone Permit	2	250
Building Permits	5,439	679,875
Building Demolitions	143	17,875
Institutional Master Plan	<u>1</u>	<u>125</u>
Total	5,987	\$748,375

Actual and estimated revenues and costs of the Department's Implementation Division operations for FY 1991-92 and FY 1992-93 are summarized as follows.

Comparison of Revenues With Expenditures

	FY 1991-92 Actuals Based on Existing fees	FY 1992-93 FY 1992-93 Current Budget	FY 1992-93 Adjusted Budget with Proposed Additional Fee
Implementation Division Costs	\$3,681,094	\$4,321,022	\$4,526,862
Fee Revenues	<u>2,500,755</u>	<u>3,159,143</u>	<u>3,619,143</u>
Excess of Costs over Revenues	\$1,180,339	\$1,161,879	\$907,719
Percent Cost Recovery	67.9	73.1	79.9

As the preceding table shows, the currently budgeted percentage of cost recovery from fee revenues for the Implementation Division for FY 1992-93 is 73.1 percent. Cost recovery figures with an offsetting \$460,000 fee increase would be 79.9 percent.

In a memorandum to the Mayor's Office, dated September 16, 1992, the Director of Planning reported that an expenditure reduction of \$490,000 (which was the budget reduction originally contemplated for the Department instead of the

BOARD OF SUPERVISORS
BUDGET ANALYST

current figure of \$460,000) for the Department of City Planning would result in either immediately implementing a 35-hour work week for all Departmental staff or to eliminate 15 staff positions effective January 1, 1993. As reported by the Director of Planning, the major effects of such a staff reduction would be as follows:

- Immediate elimination of Discretionary Review staffing;
- Elimination of non-permit-related Violation Abatement processing;
- Elimination of Landmarks and Historic Districts work;
- Elimination of a Planning Department presence in the Construction Services Center;
- Elimination of Public Information Services at the Zoning Information Counter.

Comments:

1. The Department of City Planning was granted fee increases of approximately 33.1 percent and granted various additional surcharges on fees effective July 1, 1991. Those fee increases and surcharges were to enable the Department to acquire the staff positions and computer equipment for expediting the permit process, improving other planning services, and financing new computer system and system maintenance costs. The existing Section 374 of the Planning Code, which would become Section 375 under the proposed legislation, requires that the Planning Commission conduct a public hearing at the end of FY 1992-93 to review whether the level of services provided by the Department of City Planning are as they were contemplated under the fee increases that became effective July 1, 1991. The Planning Commission will, at that time, determine whether to initiate an ordinance to extend or to otherwise modify the fees related to the Department's application processes that were contained in that previously approved fee legislation. The Planning Commission is required to provide a report on the results of the public hearing with recommendations on its findings to the Board of Supervisors, within one month of the date of the public hearing.

2. Mr. Alec Bash of the Department of City Planning reports that currently, the Department is meeting some of the performance targets specified with the previous fee increases, and particularly so in permit processing. Mr. Bash states that some performance targets, such as environmental review targets for categorical exemptions and negative declarations, are not being met due to staff shortages that have occurred since the subject fee increases were implemented. Mr. Bash further states that the

Department's services have increased considerably through its efforts to computerize its operations. Those computerization achievements are supported by two fee surcharges enacted as a part of the fee increase legislation made effective with the beginning of FY 1991-92.

3. Mr. Bash reports that the service reductions that will occur in the absence of the proposed additional fees, and previously discussed in this report, will result in the Department achieving service levels well short of those contemplated in the FY 1991-92 fee increase legislation.

4. The proposed \$125 additional flat fee on the project types previously enumerated is regressive in nature in that the fee constitutes a higher percentage of the base fee for lower cost projects. However, Mr. Bash reports that the \$125 additional fee is intended to correct a disproportionately small fee for projects with low construction costs. According to Mr. Bash, a conditional use application with an estimated construction cost of under \$10,000 currently has a fee of \$325. Mr. Bash reports that a \$325 fee would cover approximately six hours of staff time, based on an average hourly rate of \$54, while the minimum number of hours for processing such an application is approximately 20 hours, for a Department cost of approximately \$1,080. Thus, even with the increased fee of \$125 these small projects would not fully recover their cost. Mr. Bash further states that the minimum staff time required to process a negative declaration (an environmental review process) for projects of \$10,000 or less is at least triple the \$300 fee collected for such projects.

5. A report titled "Management Audit of the City's Permit Processing System," conducted by the Budget Analyst and issued in October of 1989 contains the following recommendations that relate to the proposed legislation:

- Adjust existing fees to fully recover the costs of the Implementation Division.

6. As previously stated, the proposed legislation (File 115-92-11) provides that, upon enactment, the contents of the proposed legislation would replace the existing Section 374 of Article 3.5A of the Planning Code. However, the latest revision to Article 3.5A of the Planning Code contains no Section 374. The existing legislation referred to in the proposed legislation actually is contained in Section 371 of Article 3.5A. Therefore, the reference to Section 374 of Article 3.5A should be changed to read Section 371 of Article 3.5A.,.

and the reference to Section 375 of Article 3.5A should be changed to read Section 372.

- Recommendations:**
1. Amend the references on page one, lines 3, 13, 14, 16, and 24 to read Section 371 instead of Section 374 and amend the reference on page one, line 24, to read Section 372 instead of Section 375 (File 115-92-11).
 2. Based on the prior policy decision of the Finance Committee and in order to keep the budget in balance, approve the proposed ordinances, as amended.

Item 13 - File 173-92-3

Item: Ordinance approving a five year Marine Terminal Use Agreement with National Shipping Corporation of the Philippines for use of the North Container Terminal (Pier 80).

Description: The proposed ordinance would approve a new five year agreement between the Port and the National Shipping Corporation of the Philippines (NSCP) for dockage and wharfage at Pier 80. The current 5-year contract between NSCP and the Port, which took effect in 1987, is scheduled to expire November 27, 1992. The new agreement would take effect following approval by the Port Commission, the San Francisco Board of Supervisors, and the Federal Maritime Commission. The agreement has already been approved by the Port Commission, and the Federal Maritime Commission is expected to approve the agreement prior to action by the Board of Supervisors.

The Port estimates that total revenue over the five year term of the proposed agreement will be approximately \$1.8 million.

Comments: 1. Mr. Roger Peters, Director of Cargo Services for the Port, reports that the proposed agreement is essentially identical to the Port's standard agreement for shipping companies of NSCP's size and capacity. Revenues to the Port under the proposed agreement would consist of fees for Dockage, Wharfage for Full Containers, and Wharfage for Breakbulk Cargo.

According to Mr. Peters, dockage is a fixed rate for a ship docking at the Port for a 24-hour period. Wharfage is assessed according to the volume of cargo handled through the Port facilities. The volume of containerized cargo is expressed as "Twenty-foot Equivalent Units", or TEUs. The volume of non-containerized ("breakbulk") cargo is expressed in tons.

2. Mr. Peters states that NSCP is expected to ship approximately 6,000 containerized TEUs and approximately 4,854 tons of breakbulk cargo through the Port each year over the 5 year term of the agreement.

Under the proposed agreement's sliding scale for wharfage fees for containerized cargo, and the fixed rates for breakbulk cargo and dockage fees, the Port expects to receive the following estimated annual revenue, based on

dockage, 6,000 containerized TEUs, and 4,854 tons of breakbulk cargo shipped annually by NSCP:

WHARFAGE FEES (Containerized Cargo)			Annual
Volume of TEUs	No. of TEUs	Rate per TEU	Revenue
1 through 1,500	1,500	\$60	\$90,000
1,501 through 2,500	1,000	57	57,000
2,501 through 4,000	1,500	52	78,000
4,001 through 5,000	1,000	48	48,000
5,001 through 11,000	<u>1,000</u>	42	<u>42,000</u>
Total	6,000		\$315,000

WHARFAGE FEES (Breakbulk Cargo)	
\$3.09/ton x 4,854 tons	15,000

DOCKAGE	<u>30,000</u>
---------	---------------

Total Annual Revenue	\$360,000
----------------------	-----------

Projected Revenue Over 5 Years	\$1,800,000
--------------------------------	-------------

3. Mr. Peters indicates that the 5-year estimated revenue of \$1.8 million is based on estimated annual cargo volume of 6,000 TEUs and 4,854 tons of breakbulk cargo each year, based on the rate schedule presented above. If the volume increases in any year, revenues would increase. The rates would not increase for the first three years of the contract. Rates for the final two years of the contract would be renegotiated based on the rate structure then in effect for other Marine Terminal Agreements at the Port.

4. Mr. Peters reports that the NSCP remitted the following gross revenues for wharfage and dockage to the Port under the existing 5-year contract:

	<u>TEUs</u>	<u>Dockage</u>	<u>Wharfage</u>	<u>Total</u>
1987-88	6,830	\$16,000	\$362,000	\$378,000
1988-89	7,107	20,000	398,000	418,000
1989-90	7,054	21,000	395,000	416,000
1990-91	8,268	18,000	463,000	481,000
1991-92	<u>7,143</u>	<u>22,000</u>	<u>400,000</u>	<u>422,000</u>
Total	36,402	\$97,000	\$2,018,000	\$2,115,000

As shown above, total revenue for the past five years was \$2,115,000, which is \$315,000 more than the \$1.8 million in projected revenues under the proposed new agreement. However, the 36,402 TEUs shipped in the previous five years is 6,402 TEUs greater than the 30,000 TEUs (6,000 TEUs annually) upon which the Port's \$1.8 million 5-year

BOARD OF SUPERVISORS
BUDGET ANALYST

revenue estimate is based. If the NSCP ships 6,402 additional TEUs of cargo under the proposed new agreement, at the proposed new applicable rate of \$42 per TEU, total revenue under the proposed new agreement would increase by \$268,884 to \$2,068,884, which would be \$46,116 less than the total revenues received over the past five years under the existing agreement.

Mr. Peters states that the difference in revenues under the existing and proposed agreements is attributable to the Port's transition to a graduated rate schedule under the proposed new agreement, which charges higher fees than at present for low volumes of cargo, and lower rates as the volume increases. The rate under the existing agreement was \$56 for each TEU through June 1988, and \$58 per TEU between July 1988 and July 1992. Mr. Peters states that the graduated rate schedule will provide an incentive for shipping companies to move more cargo through the Port, and will enhance the Port's competitiveness with the Port of Oakland, which is expanding its capacity.

5. The proposed agreement includes two financial incentives for the NSCP to enter into the 5 year agreement with the Port. First, the rate for dockage is only 60 percent of the tariff which applies to ships docking at the Port which do not have agreements with the Port, according to Mr. Peters. Based on information provided by Mr. Peters, the Budget Analyst estimates that this discount is valued at approximately \$20,000 annually, or \$100,000 over the 5 year term of the proposed agreement.

In addition, the proposed agreement provides that the Port would recalculate the fees paid by NSCP for the period January 1, 1992 through the commencement date of the new agreement, based on a schedule contained in the proposed agreement. Mr. Peters indicates that the recalculation would not change the amount of the NSCP's payment for the period January 1, 1992 through June 30, 1992, since the original and recalculated rates are equivalent. For the period July 1, 1992 through October 31, 1992, the rate recalculation would result in a \$4,000 reimbursement to NSCP for fees paid over that period.

Taken together, these two financial incentives are valued at approximately \$104,000 over the 5-year term of the agreement. Mr. Peters states that the discounts offered to NSCP were necessitated by the effects of competition with the Oakland Port, and are of an appropriate size to ensure the Port's competitiveness with Oakland. Mr. Peters reports that similar discounts are provided to other

BOARD OF SUPERVISORS
BUDGET ANALYST

shipping companies similar to the NSCP in size and capacity.

6. The proposed agreement includes an acknowledgment by NSCP that the agreement may create "a possessory interest subject to taxation." Mr. Peters states that this clause reflects that although the Port is not required to pay property tax to the City and County of San Francisco, private firms utilizing Port facilities may be liable for such property taxes. Mr. Peters states that this is a legal principle which applies equally to all shipping companies utilizing Port facilities.

Mr. Peters states that at the present time, the shipping companies which contract with the Port do not pay property taxes to the City. However, the Metropolitan California Stevedore Company, which manages facility operations for the Port, is assessed possessory interest property taxes based on its commercial use of the facilities. Mr. Peters states that, because of the City's current fiscal difficulties, the Port is currently engaged in discussions with the Assessor's Office to determine whether shipping companies using Port facilities can be assessed possessory interest property taxes.

7. The proposed agreement grants the Port's consent to the NSCP to contest the amount or validity of any tax or assessment created by a "possessory interest," should the NSCP choose to do so. Mr. Peters states that this language was recommended by the City Attorney, and that a shipping company's liability for property taxes would be a judicial determination unaffected by the grant of the Port's consent to NSCP to contest the assessment of such taxes.

Recommendation: Approve the proposed ordinance.

Item 14 - File 28-92-11

Department: Airports Commission

Item: Resolution approving a declaration of an emergency, pertaining to environmental services at Road 18 and Road 9, at San Francisco Airport.

Amount: \$150,000

Source of Funds: Airport Capital Improvement Funds

Description: The Airport reports that the main telephone cables serving all of the terminals and the Federal Aviation Administration (FAA) Control Tower are failing due to gasoline seeping into the telephone duct and manhole. The Airports Commission formally declared the damage to the cables and the gasoline seepage an emergency on July 29, 1992. The Airport advises that the cables must be replaced to avoid disruption of telephone service and that environmental clean up work must be performed to correct the seepage of gasoline into the affected area in order to protect the telephone technicians from gasoline contamination.

In accordance with Section 6.30 of the Administrative Code, the Airport reports that it used expedited contract procedures to acquire Sierra Environmental Services to perform the necessary corrective work. The \$150,000 is designated for these contract services. Sierra Environmental Services is neither an MBE or WBE firm. The Airport advises that Sierra Environmental Services began the corrective work on July 29, 1992 and the work is anticipated to be completed by November 1, 1992. According to the Airport, Pacific Bell will perform the repair work on the telephone cables. As of the writing of this report, the Airport reports that Pacific Bell was unable to provide an estimate of the cost for this repair work.

Comment: Mr. Reuben Halili of the Airport reports that the Airport is in the process of making a determination as to which airline tenant is responsible for the gasoline seepage. Mr. Halili advises that when it is determined which airline tenant is responsible for the gasoline seepage, the responsible airline would be required to pay for the cost of the repair work on the telephone cables. Additionally, according to Mr. Halili, the responsible airline would also be required to reimburse the Airport for the contract services provided by Sierra Environmental Services.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
October 7, 1992

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 15 - File 82-92-8

Departments: Real Estate Department
Airports Commission

Item: Resolution authorizing the acquisition of 53 additional noise easements in the City of South San Francisco in their Phase VI Program.

Description: The San Francisco International Airport's Noise Easement Acquisition Program consists of insulating private residences and schools in the City of South San Francisco and other cities that are located near the San Francisco Airport.

The Board of Supervisors previously approved legislation which authorized the acquisition of noise easements for 200 additional homes comprising the City of South San Francisco's Phase VI Program (File 82-92-1). The proposed legislation would authorize an additional 53 noise easements to be included in the Phase VI Program, bringing the total number of easements to 253. The Real Estate Department advises that the \$500,000 previously appropriated for the above noted 200 noise easements is sufficient to acquire the proposed additional 53 noise easements.

Once purchased, the noise easements would remain in effect for 20 years. As consideration for the grant of noise easements, the City would pay 20 percent, or \$113,174 of the total construction cost and title insurance fees to insulate the 53 residences. In addition, the City of South San Francisco would pay the remaining 80 percent, or \$452,696, of the total construction costs and title insurance fees of \$565,870, with funding obtained from Federal grant funds.

Comments:

1. The Real Estate Department reports that the acquisition of the 53 additional noise easements in the City of South San Francisco would satisfy the State-mandated noise mitigation requirements. The Board of Supervisors has previously approved seven different resolutions to acquire a combined total of 480 noise easements in the City of South San Francisco. If the proposed resolution is approved, the City would have authorized a total of 533 noise easements in the City of South San Francisco.
2. The City Attorney's Office reports that the purchase of these noise easements enables the City to comply with State legal requirements, and eliminates any costs to defend against noise-related small claims lawsuits filed by San Mateo County residents.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
October 7, 1992

Recommendation: Approve the proposed resolution.

Item 16 - File 170-92-11

Department: Airports Commission

Item: Resolution approving and authorizing the issuance of not to exceed \$305 million principal amount of San Francisco International Airport Second Series Refunding Revenue Bonds in up to three separate issues, and establishing a maximum interest rate therefor.

Amount: Not to exceed \$305 million

Description: The Airports Commission is requesting authorization to refund revenue bonds Second Series, Series B, D and E, in an amount not to exceed \$305 million.

These bonds are currently described as follows:

<u>Issue</u>	<u>Amount</u>	<u>Date Issued</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>
B	\$90 m	1978	2008	6.4%
D	108 m	1983	2013	9.3%
E	92.9 m	1990	2020	7.5%

Under the proposed refunding, the bonds would be reissued at lower interest rates, estimated as follows:

<u>Issue</u>	<u>Amount of Reissue (Equals Outstanding)</u>	<u>Anticipated Date of Reissue</u>	<u>Anticipated New Date of Maturity</u>	<u>Interest Rate</u>	<u>Difference from Present Interest Rate</u>
B	\$76.8 m	unknown	2008	6.3%	.1% *
D	100.4 m	10/27/92	2020	6.3%	3.0%
E	90.8 m	10/27/92	2020	6.9%**	.6%

* The administrative costs incurred for refunding Series D and E bonds would not increase if Series B bonds were also included in the refunding package. Therefore, any benefit accruing from refunding Series B bonds, however slight, would justify refunding such bonds.

** Series E bonds are anticipated to be sold at a higher interest rate than Series D and E bonds because that series is an alternative minimum tax (AMT) bond issue. Typically, interest earned from municipal bonds is tax exempt, which increases the value of municipal bonds to the investor. AMT bonds are a special category of bonds. Interest earned on AMT bonds is subject to taxation.

Comments: 1. Ms. Angela Gittens of the Airport reports that the Airport expects to save from \$24 to \$32 million on a net present value basis from the proposed refinancing. Such savings would increase the salability of the Airport's Master Plan bonds, since the Airport's outstanding debt service requirements would be less.

2. There was a proposal that savings from the proposed bond refunding could be used to offset the City's budget shortfall, with the intent that the City would assume the costs of refunding the bonds, and would also benefit from the savings accrued from the refunding. However, Ms. Gittens advises that the City cannot legally benefit from Airport bonds, since the Airport is supported by airline landing fees and such fees must be used for the Airport and not for the City.

3. To assist the City in closing its present budget deficit, the Airport has tentatively agreed to advance \$25 million to the City's General Fund. Approval of the proposed resolution for the bond refunding does not constitute approval of the proposed advance of \$25 million from the Airport to the City's General Fund. The pending advance agreement would be subject to separate approval by the Board of Supervisors, and is anticipated to be considered no earlier than late October, 1992, Ms. Gittens reports.

4. The proposed \$25 million advance would be repaid from future annual payments to the General Fund of 15 percent of Airport concession revenues (estimated at \$15 million in Fiscal Year 1992-93). This advance is subject to the approval of the 19 airlines which are signatory to the 1981 settlement agreement between the City and the airlines. These concession revenues are paid to the City on a quarterly basis. The \$25 million advanced to the City this year would be deducted from future year concession revenue payments from the Airport to the City's General Fund, and would be entirely repaid after eight years, Ms. Gittens reports. Ms. Gittens advises that the impact of this repayment is expected to diminish as concession revenues increase.

5. The City would be required to pay interest on the \$25 million advance. The rate of this interest would be flexible, and equal to either the interest rate of the Treasurer's pooled cash investment fund, or of the Airport bonds that are issued, whichever is higher. The justification for establishing the interest rate in this way is that interest rates based on the interest rate of the City's pooled fund, or the amount of any Airport bonds that are issued, whichever is higher, would guarantee that the \$25 million loan would earn as much for the Airport as it would if the Airport had not made the advance.

6. The repayment of the advance by the City to the Airport, which would be made on a quarterly basis, would begin in October, 1993, if funds were transferred to the City on June 30, 1993, as the Controller has suggested. Based on an estimated interest rate of 6.5 percent, for the transfer of \$25 million to meet the City's FY 1992-93 budget shortfall, the City's General Fund will be required to repay \$1,625,000 in

interest during FY 1993-94. The quarterly payment mechanism would consist of the Airport deducting an estimated \$406,250 from its estimated \$3.75 quarterly concession revenue payment to the City's General Fund, so that the City would receive an estimated net amount of \$3,343,750 quarterly in 1993-94.

7. The \$1,625,000 paid to the Airport for the first year would consist entirely of interest payments, and would not diminish the principal amount owed. The City would begin to make payments toward the principal during the second year of the loan.

8. The proposed loan would benefit the City in that it would ameliorate the large budget reductions over the balance of Fiscal Year 1992-93 that must be made to compensate for the loss of State funding.

9. Regarding the \$25 million advance, according to Mr. Ed Harrington of the Controller's Office, various drafts of the proposed agreement between the Airport and the City for the Airport to advance the \$25 million to the City's General Fund, have included two elements that are not directly connected to the advance, as follows: (1) the Board of Supervisors would agree to take all appropriate actions to fund the Master Plan as approved by the Airports Commission; and (2) the City would be required to refrain from any additional request for funds from the Airport over the next seven years.

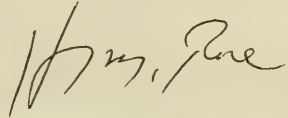
10. Ms. Gittens reports that the airlines are anticipated to agree to the proposed advance of \$25 million to the City, since such an advance would not incur any costs to the airlines.

11. While the Budget Analyst believes that this proposed resolution for the refunding of Airport revenue bonds is in the best interests of the Airport, the Board of Supervisors may wish to continue the proposed resolution to the call of the Chair until the pending agreement, regarding the \$25 million advance from the Airport to the City's General Fund, is submitted to the Board of Supervisors, in order that the pending agreement can be reviewed and analyzed by the Board of Supervisors.

12. According to Ms. Gittens, any benefit that would accrue from refunding the bonds might be diminished after the November, 1992, Presidential election because interest rates might increase. Therefore, the Airport requests that the Board of Supervisors act immediately so that the bonds may be reissued prior to the end of October. Ms. Gittens reports that the currently proposed sale date, as noted above, is October 27, 1992. The Budget Analyst notes that no one knows

precisely at this time how the election will impact interest rates.

Recommendation: Continue the proposed resolution to the call of the Chair.

A handwritten signature in dark ink, appearing to read "H. M. Rose", written in a cursive style.

Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Kent Sims
Jean Mariani
Barbara Kolesar
Ted Lakey

SF Bd. of Supervisors

Public Library, Documents Dept.

ATTN: Gerry Roth

Memo to Finance Committee
October 7, 1992

REVISED

Item 4 - File 188-92-1

Budget Analyst Recommendation

Department: Public Utilities Commission (PUC)
Hetch Hetchy

Item: Hearing to consider the fiscal impact of the 1987 contracts with Pacific Gas and Electric and the Modesto and Turlock Irrigation Districts for the purchase and sale of Hetch Hetchy hydroelectric power.

Description: On February 29, 1988, the Board of Supervisors passed Ordinance 87-88 (File 446-87-4.1) which approved long term agreements between Modesto and Turlock Irrigation Districts (MID & TID) and the City and County of San Francisco. The terms of the agreements are from April 1988 to June 2015 or 27 years and three months. Under these long term agreements, the City has agreed to the delivery of Hetch Hetchy hydroelectric power to the Districts including Class 1 loads of the MID & TID (power for irrigation pumping and District municipal purposes) and Class 3 loads (energy resold by the MID and TID to its customers).

Hetch Hetchy is obligated to sell Class 1 power to the MID and TID at cost because of the prior water and hydroelectric power entitlement identified in the Raker Act. Hetch Hetchy sells Class 3 power to the MID and TID at a higher negotiated rate and in accordance with subject agreements. Under the agreements, Hetch Hetchy must provide hydroelectric power demanded by the Districts, above the City's Municipal requirements, up to Hetch Hetchy's "Project Dependable Capacity" (see Comment 3 below) at contractually specified rates, regardless of whether Hetch Hetchy is actually generating sufficient power or must purchase additional power from PG&E. Power not used for Class 1 purposes is deemed to be Class 3 power and is paid for at the higher rate.

Hetch Hetchy reports that over a 16 month period (March 1991 through June 1992) revenues derived from the sale of hydroelectric power to MID and TID exceeded the cost of power purchased from PG&E by \$414,841 (see Attachment 1). Hetch Hetchy's reported financial data is summarized as follows:

DOCUMENTS DEPT

OCT 08 1992

SAN FRANCISCO
PUBLIC LIBRARY

BOARD OF SUPERVISORS
BUDGET ANALYST

REVISED

<u>Month/Year</u>	<u>Purchase of Power from PG&E</u>	<u>Sale of Power to MID/TID</u>	<u>Gain/Loss</u>
Mar-1991	\$797,366	\$660,247	(\$137,120)
Apr-1991	3,027	3,958	931
(May-1991 through Aug-1991 - no purchases or sale of purchase power)			
Sep-1991	941,546	1,232,529	290,983
Oct-1991	709,320	782,798	73,478
Nov-1991	958,476	1,032,539	74,063
Dec-1991	1,061,560	1,092,571	31,011
Jan-1992	914,205	878,436	(35,769)
Feb-1992	793,616	910,878	117,263
(Mar-1992 through Jun-1992 - no purchases or sale of purchase power)			
Totals	<u>\$6,179,116</u>	<u>\$6,593,956</u>	<u>\$414,840</u>

The City also has a 27 year and three month contract (April 1988 to June 2015) with Pacific Gas and Electric Company (PG&E) for services and power purchase on an "if and as needed" basis. The prices under the contract are at rates subject to renegotiation periodically. The contract specifies that Hetch Hetchy will receive firming services from PG&E (fixed charges for capacity reserves whether actually used or not by Hetch Hetchy) necessary to support the "Project Dependable Capacity".

Comments:

1. Hetch Hetchy reports that over the last 16 months their costs of capacity reserves purchased from PG&E have resulted in a savings of \$1,349,507 (see Attachment 2, column 4). Hetch Hetchy's monthly cost to PG&E for a 59,800 kilowatt capacity reserve at a wholesale price of \$6.25 per kilowatt is \$373,750 and over a 16 month period that cost totals \$5,980,000 (\$373,750 x 16). Based on actual use of reserve capacity, which if purchased at a higher cost of \$16.499 to \$17.678 per kilowatt from PG&E, would be, according to Hetch Hetchy, \$7,329,507 during that 16 month period.

According to Mr. Lawrence Klein, Deputy General Manager of Hetch Hetchy, this is a valid comparison since Hetch Hetchy is precluded from purchasing capacity reserve elsewhere without five years notice to PG&E by the agreement with PG&E, and therefore would have had to pay PG&E rates in that period.

The Budget Analyst notes however, that neither the capacity reserve costs nor the charges for purchased power would be needed if it were not for the provisions of the agreements with MID and TID.

2. The Budget Analyst further notes that the cost of PG&E provision of adequate reserve power to meet Modesto and Turlock Irrigation District demands, up to Hetch Hetchy's "Project Dependable Capacity" (see Comment 3 below), would be totally avoidable except for the fact that the provisions of the 1987 agreements with the Districts require Hetch Hetchy to meet such demands and that the demands can only be met through the agreement between Hetch Hetchy and PG&E.

Therefore, if these agreements had not been approved in their present form, Hetch Hetchy would not have incurred the capacity reserve costs or any incremental costs for purchased power to meet the demands of the Districts for Class 3 power.

If Hetch Hetchy could sell any available hydroelectric power at wholesale rates at least equivalent to rates paid by the Districts for Class 3 power purchases, then Hetch Hetchy would not incur capacity reserve charges of \$5,980,000 or net revenues, according to Hetch Hetchy's figures, of \$414,840, for purchased power over a sixteen month period as it has since March 1991. The net cost to Hetch Hetchy therefore would amount to \$5,565,159 (\$5,980,000 in capacity reserve costs less \$414,841 in reported net revenue) based on data supplied by Hetch Hetchy.

Mr. Klein reports however, that without the firm power supply provided by the PG&E agreement, the City would not have realized equivalent revenue, from either MID, TID or any other long term customer, as has been received from the Districts for Class 3 power.

3. The provisions of the current long term agreements between the City and the Modesto and Turlock Irrigation Districts include:

- The full cost of the support charge for PG&E firming services, less \$700,000 paid by the Districts as part of their Class 1 rates, must be paid by Hetch Hetchy. Such services are in effect a guarantee by PG&E to provide sufficient capacity reserves to support the level of power and energy to be provided by Hetch Hetchy.

- The City agrees to meet priorities for delivery of Hetch Hetchy hydroelectric power, as follows:
 - City municipal loads;
 - Class 1 loads of the Districts per requirement of Raker Act;
 - Class 3 power to the Districts (energy resold by the Districts to its customers);
- Excess energy, over and above Hetch Hetchy's "Project Dependable Capacity" is sold to Airport Tenants and Riverbank Army Munitions Plant (operated by Norris Industries).
- The Districts will have the right to purchase either one half of all excess energy or all such energy above the requirements of Airport Tenants.
- The Districts have rights to purchase any increase in future Hetch Hetchy "Project Dependable Capacity" (an agreed minimum generation capacity Hetch Hetchy is able to produce, even in a dry year, approximately 260,000 kilowatts).
- The City's rights to withdraw firm capacity from the Districts, for the City's municipal purposes, after providing five years advance notice.

4. According to Mr. Lawrence Klein of Hetch Hetchy, all charges for hydroelectric energy to the Districts, as identified in Attachment 1, except for March 1991, are for Class 3 energy loads. For March 1991, the total 23,894,700 Kw hours sold to MID and TID for \$660,247 are divided between 15,425,000 Kw hours for Class 1 power (\$208,884) and 8,469,700 Kw hours for Class 3 power (\$451,363).

5. Mr. Klein also advises that the City, under its contract with PG&E, presently has not identified an alternative source to its purchase of capacity reserve other than PG&E. However, Mr. Klein states that the City would be required to give PG&E notice that the City has selected an alternative to its current purchase of energy capacity reserve from PG&E.

Mr. Klein further advises that the City has recently become a member of the Western Systems Power Pool (WSPP) which would permit the City to purchase supplemental energy from a WSPP member at a lower rate than the rate charged by PG&E. This has resulted in \$688,000 in savings, as opposed to

purchases from PG&E supplemental energy, since July 1, 1992.

6. The Budget Analyst further notes that the subject of this hearing requested by the Finance Committee is to consider the "fiscal impact of the 1987 contracts". However, the data provided by Hetch Hetchy only covers the period of March, 1991 through June, 1992.

The Budget Analyst has therefore requested the following data on a monthly basis for the full term of the current agreements:

- The amount, in kilowatt hours, of Class 1 power and payments for such power consumed by both the Modesto and Turlock Irrigation Districts;
 - The amount, in kilowatt hours, of Class 3 power and payments to Hetch Hetchy for such power consumed by both the Modesto and Turlock Irrigation Districts;
 - The full monthly costs for capacity reserve payments to PG&E;
 - The full cost and amount of power purchased from PG&E to meet the power consumption demands of the Modesto and Turlock Irrigation Districts;
 - The incremental payments made by the Modesto and Turlock Irrigation Districts for the power purchased from PG&E; and
 - Any available market data that would provide reliable estimates of alternative revenues that could be realized by Hetch Hetchy if they were not bound by these agreements.
7. The Budget Analyst has been informed that the Finance Committee has received a request to continue this hearing one week.

Recommendation: Continue this item one week.

Hetch Hetchy Water & Power

Comparison of Costs of Power Purchased from PG&E for resale to the Districts and the revenue derived from that sale

Month	PG&E Billings		PG&E Billings			District Billings				(3)	(4)
			(1)			(2)					
	What SF paid PG&E (Total)		What SF paid PG&E for power to be sold to the Districts			Districts, Total Class-3 Firm Energy		Districts Class 1 Power (purchased from PG&E)		What SF charged Turlock & Modesto for Power purchased from PG&E	San Francisco net benefit/(cost)
			kW-Hrs	\$/kW-Hr	\$/s	kW-Hrs	\$/s				
Mar-91	\$2,453,968	*	23,894,700	\$0.03337	\$797,366	8,469,700	\$451,363	15,425,000	\$208,884	\$660,247	(\$137,120)
Apr-91	\$1,966,670		97,748	\$0.03097	\$3,027	18,407,750	\$745,409			\$3,958	\$931
May-91	\$1,491,360		0	n/a		43,498,245	\$1,352,143			\$0	\$0
Jun-91	\$1,514,403		0	n/a		41,247,512	\$1,219,685			\$0	\$0
Jul-91	\$1,584,159		0	n/a		48,098,850	\$1,628,519			\$0	\$0
Aug-91	\$1,895,450		0	n/a		45,446,850	\$1,606,062			\$0	\$0
Sep-91	\$2,865,104		36,836,685	\$0.02556	\$941,546	44,932,900	\$1,503,422			\$1,232,529	\$290,983
Oct-91	\$2,800,371		22,390,157	\$0.03168	\$709,320	43,408,950	\$1,517,652			\$782,798	\$73,478
Nov-91	\$3,071,512		27,629,752	\$0.03469	\$958,476	46,881,400	\$1,751,984			\$1,032,539	\$74,063
Dec-91	\$3,031,081		30,787,692	\$0.03448	\$1,061,560	54,656,950	\$1,939,626			\$1,092,571	\$31,011
Jan-92	\$2,992,432		25,380,480	\$0.03602	\$914,205	58,871,600	\$2,037,586			\$878,436	(\$35,769)
Feb-92	\$2,764,473		25,178,162	\$0.03152	\$793,616	51,239,230	\$1,853,698			\$910,878	\$117,263
Mar-92	\$1,565,540		0	n/a		49,848,403	\$1,847,918			\$0	\$0
Apr-92	\$1,521,744		0	n/a		43,405,333	\$1,613,933			\$0	\$0
May-92	\$1,511,281		0	n/a		38,453,403	\$1,408,652			\$0	\$0
Jun-92	\$1,820,740		0	n/a		35,949,616	\$1,295,474			\$0	\$0
											\$414,841

In these months generation was so low that we purchased energy to meet both our Class 1 And Class 3 power obligations to the Districts. The kW-Hrs and \$/s of Column (2) reflect this mixed rate sale. Note: Col. (2) is used to calculate an average revenue (\$/kW-Hr) used to calculate the revenue in Col (3).

Hetch Hetchy Water & Power						
Costs of capacity reserve purchased from PG&E compared to costs avoided when purchasing supplemental energy.						
	(1)			(2)	(3)	(4)
	What we paid for capacity reserve			The prepaid capacity we used (kW-Mo)	The Rate we avoided paying \$/kW-Mo	What we avoided paying for capacity
	kW	\$/kW	\$'s	kW	\$/kW	\$'s
Mar-91	59,800	\$6.25	\$373,750	59,800	\$16.499	\$986,640
Apr-91	59,800	\$6.25	\$373,750	0	\$16.499	\$0
May-91	59,800	\$6.25	\$373,750	0	\$16.499	\$0
Jun-91	59,800	\$6.25	\$373,750	0	\$16.499	\$0
Jul-91	59,800	\$6.25	\$373,750	0	\$17.678	\$0
Aug-91	59,800	\$6.25	\$373,750	0	\$17.678	\$0
Sep-91	59,800	\$6.25	\$373,750	59,800	\$17.678	\$1,057,144
Oct-91	59,800	\$6.25	\$373,750	59,800	\$17.678	\$1,057,144
Nov-91	59,800	\$6.25	\$373,750	59,800	\$17.678	\$1,057,144
Dec-91	59,800	\$6.25	\$373,750	59,800	\$17.678	\$1,057,144
Jan-92	59,800	\$6.25	\$373,750	59,800	\$17.678	\$1,057,144
Feb-92	59,800	\$6.25	\$373,750	59,800	\$17.678	\$1,057,144
Mar-92	59,800	\$6.25	\$373,750	0	\$17.678	\$0
Apr-92	59,800	\$6.25	\$373,750	0	\$17.678	\$0
May-92	59,800	\$6.25	\$373,750	0	\$17.678	
Jun-92	59,800	\$6.25	\$373,750	0	\$17.678	
			\$5,980,000			\$7,329,507
Net benefit of prepaid capacity reserve =						\$1,349,507

SF
590.25
#2
0/14/92
C.2

1111

CALENDAR - Actions Taken

MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, OCTOBER 14, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

ABSENT: SUPERVISOR GONZALEZ - ITEMS 1 AND 7

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

- (a) File 79-91-2.5. [Release of Funds] Requesting release of reserved funds, Mayor's Office of Economic Planning and Development, 1992 Community Development Block Grant Program, in the amount of \$50,000, for the San Francisco Housing Authority Tenant Improvement Pool. (Mayor's Office of Economic Planning & Development)

ACTION: Release of \$50,000 of recommended. Filed. (Reserve to be released with the provision that each individual tenant proposal will have a 16 percent contingency limit and that any residual funds be added to the 1993 SFHA Tenant Improvement Pool program or returned to MOCD for reprogramming.)

- (b) File 101-91-74.1. [Release of Funds] Requesting release of reserved funds, Department of Public Works, 1990 Earthquake Safety Bond, in the amount of \$700,000, for the War Memorial Opera House, Earthquake Safety Program Phase 2 for an engineering study. (Department of Public Works)

ACTION: Release of \$700,000 recommended. Filed.

DOCUMENTS DEPT.

OCT 16 1992

SAN FRANCISCO
PUBLIC LIBRARY

- (c) File 94-92-8. [Grant - Federal Funds] Resolution authorizing the Public Utilities Commission to apply for, accept and expend \$1,500,000 in Federal Capital Assistance including the required local contribution from the Clean Air and Transportation Improvement Act of 1990 funds and/or State Transit Assistance funds and/or Bridge Toll Net Revenues and/or San Francisco Municipal Railway Improvement Corporation funds and/or Transportation Sales Taxes revenues to provide financing for the design and rehabilitation of the Municipal Railway's Fixed Facilities. (Public Utilities Commission)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing the Public Utilities Commission to apply for, accept and expend \$1,500,000 in Federal Capital Assistance including the required local contribution from the Clean Air and Transportation Improvement Act of 1990 funds and/or State Transit Assistance funds and/or Bridge Toll Net Revenues and/or San Francisco Municipal Railway Improvement Corporation funds and/or Transportation Sales Tax revenues to provide financing for the design and rehabilitation of the Municipal Railway's Fixed Facilities; placing \$1,273,862 on reserve."

- (d) File 94-92-9. [Grant - Federal Funds] Resolution authorizing the Public Utilities Commission to apply for, accept and expend \$15,000,000 of Federal Capital Assistance and \$2,647,059 in required local match funds to acquire trolley coaches. (Public Utilities Commission)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing the Public Utilities Commission to apply for, accept and expend \$15,000,000 of Federal Capital Assistance and \$2,647,059 in required local match funds to acquire trolley coaches; placing \$17,250,382 on reserve."

- (e) File 146-92-52.1. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a continuation grant of \$2,102,567, which includes indirect costs of \$241,709 based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding AIDS Surveillance Project; companion measure to File 146-92-52.1. (Department of Public Health)

ACTION: Continued to October 21, 1992, meeting.

- (f) File 146-92-69. [Grant - Federal Funds] Resolution authorizing the Department of Public Health Services, to accept and expend a grant of \$630,000, which includes indirect costs in the amount of \$30,580, based on twenty percent of salaries from the Federal Bureau of Health Care Delivery Assistance for linked primary care and substance abuse services; providing for ratification of action previously taken. (Department of Public Health)

ACTION: Recommended.

- (g) File 146-92-70. [Grant – State Funds] Resolution authorizing the Department of Public Health, Community Public Health Services, Family Health, Child Health and Disability Prevention Program (CHDP), to accept and expend an allocation in the total amount of \$2,187,178, which includes indirect costs in the amount of \$251,836, based on twenty percent of salaries from the State Department of Health Services for child health and disability prevention services; providing for ratification of action previously taken. (Department of Public Health)

ACTION: Amended on page 1, lines 6 and 23, by replacing "20%" with "17%". Recommended as amended. New title: "Authorizing the Department of Public Health, Community Public Health Services, Family Health, Child Health and Disability Prevention Program (CHDP), to accept and expend an allocation in the total amount of \$2,187,178, which includes indirect costs in the amount of \$251,836, based on seventeen percent of salaries from the State Department of Health Services for child health and disability prevention services; providing for ratification of action previously taken."

- (h) File 146-92-71. [Grant – State Funds] Resolution authorizing the Department of Public Health, Community Health Program, Family Health Bureau, to apply for, accept and expend a grant of \$1,384,872, which includes indirect costs in the amount of \$97,447, based on ten percent of personnel cost from the State Department of Health Services for WIC services; providing for ratification of action previously taken. (Department of Public Health)

ACTION: Recommended.

- (i) File 147-92-3.1. [Grant – Federal Funds] Resolution authorizing the San Francisco Public Library to accept and expend \$85,000 in grant funds from the U.S. Department of Education Library Services and Construction Act (LSCA) for the purchase of foreign language materials for the Fiscal Year 1992-93; companion measure to File 147-92-3. (Public Library)

ACTION: Amended on page 1, at the end of line 6, by adding "waiving indirect costs". Further amended at the end of page 2, by adding "FURTHER RESOLVED, That the Board of Supervisors does hereby waive indirect costs." Recommended as amended. New title: "Authorizing the San Francisco Public Library to accept and expend \$85,000 in grant funds from the U.S. Department of Education Library Services and Construction Act (LSCA) for the purchase of foreign language materials for the Fiscal Year 1992-93; waiving indirect costs."

- (j) File 153-92-4. [Grant – Federal Funds] Resolution authorizing the Department of Social Services to accept and expend, the third year grant funds from the Department of Health and Human Services, Maternal and Child Health Bureau in the amount of \$172,800 including the indirect cost of \$8,228 which is based on five percent of the total direct charges for Federal Fiscal Year 1992-93 for development of case management services to medically fragile and HIV positive infants. (Department of Social Services)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing the Department of Social Services to accept and expend, retroactively, the third year grant funds from the Department of Health and Human Services, Maternal and Child Health Bureau, in the amount of \$172,800, including the indirect cost of \$8,228 which is based on five percent of the total direct charges, and a required match in the amount of \$168,000 consisting of Department of Social Services in-kind services, for Federal Fiscal Year 1992-93 for development of case management services to medically fragile and HIV positive infants; and authorizing the General Manager of the Department of Social Services to sign agreements for services provided through contractors funded by this grant."

REGULAR CALENDAR

2. File 161-92-6. [Groundlease of Redevelopment Agency Land] Resolution approving the Redevelopment Agency of the City and County of San Francisco's lease of the land at Assessor's Block 3726, Lots 13 and 15, commonly known as 1028 Howard Street, to 1028 Howard Street Associates, a California Limited Partnership for 99 years for the purpose of developing a housing project for very low and low income households. (Supervisor Gonzalez)

ACTION: Recommended.

3. File 264-92-1. Hearing to consider implementation of an early retirement program for all employees not included under Charter Section 8.517-2 (Proposition A, 1991). (Supervisor Migden)

ACTION: Hearing held. Filed.

4. File 42-92-25. [Street Closing] Resolution waiving the requirement that the sponsor of the Annual Halloween street closing in the Castro Street area provide insurance and waiving all fees except for the street closure permit fee and the loudspeaker permit filing fee. (Supervisor Britt)
(Cont'd from 10/7/92)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Waiving the requirement that the sponsor of the Annual Halloween street closing in the Castro Street area provide insurance; waiving all fees except for the street closure permit fee and the loudspeaker permit filing fee; and urging the sponsor to make good faith efforts to raise funds to defray the costs incurred in conducting the street closing."

5. File 121-92-10. Hearing to consider a review of Taxi Cab License Fee Ordinance No. 383-91. (Supervisor Kennedy)

ACTION: Hearing held. Continued to the Call of the Chair.

6. File 65-92-13. [Lease] Ordinance approving lease between Recreation and Park with Theatre Bay Area to operate a discount ticket booth at Union Square Garage. (Recreation and Park Department)

(Cont'd from 10/7/92)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Approving lease between Recreation and Park with Theatre Bay Area to operate a discount ticket booth at Union Square Garage; requesting the lessee to provide discount memberships to at least 50 members of the Recreation and Park Department's Young People's Teen Musical Theater."

7. File 51-92-2. Transmitting claims of employees, various departments, for reimbursement for personal property damaged and/or stolen in the line of duty. (Various)

(Cont'd from 10/7/92)

April, May, June 1992

ACTION: Continued to October 21, 1992, meeting.

Budget

City Report

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

October 9, 1992

TO: Finance Committee

FROM: Budget Analyst

SUBJECT: October 14, 1992 Finance Committee Meeting

Item 1a - File 79-91-2.5

Department: Mayor's Office of Community Development (MOCD)

Item: Release of reserved funds for a Tenant Improvement Pool program which has been established by the San Francisco Housing Authority (SFHA)

Amount: \$50,000

Source of Funds: Community Development Block Grant Funds

Description: On December 9, 1991, the Board of Supervisors approved the City's 1992 Community Development Block Grant Program (File 79-91-21) in an amount of \$20,093,535. At the same time, the Board of Supervisors placed \$50,000 for a Tenant Improvement Pool program on reserve, pending the completion of a detailed application package and procedure to implement the improvements by the San Francisco Housing Authority (SFHA). The \$50,000 would be added to the 1991 Tenant Improvement Pool of \$100,000 to increase the total amount of the Tenant Improvement Pool to \$150,000.

In regard to the subject Tenant Improvement Pool, the SFHA has created a "Mini Grant Application" package and established a review committee consisting of residents, SFHA staff and a community representative to evaluate the applications and make decisions as to the allocation of the existing \$150,000 in the Pool.

Of the 38 SFHA housing developments, the SFHA received 18 applications, of which, 17 proposals (see Comment 2 below) were awarded CDBG mini grants by the SFHA, as follows:

<u>Proposals</u>	<u>Requested Amount</u>	<u>Final Amount</u>
Hayes Valley South	\$20,983	\$10,000
Potrero Terrace and Annex	10,000	10,000
Woodside Gardens	4,200	4,200
345 Arguello Boulevard	9,920	8,120
25 Sanchez Street	10,000	10,000
Mission Dolores	1,500	1,500
430 Turk Street	7,200	7,200
Valencia Gardens	10,000	10,000
Holly Courts	10,000	5,000
Ping Yuen	10,000	10,000
John F. Kennedy Tower	9,450	8,000
Rosa Parks (1251 Turk Street)	\$6,200	\$6,200
Golden GateView (491-31st Ave)	10,000	0
350 Ellis Street	9,680	9,680
666 Ellis Street	6,400	6,400
Alice Griffith	10,000	10,000
320/330 Clementina Street	10,000	10,000
Aleman	<u>10,000</u>	<u>3,000</u>
Subtotal	\$165,533	\$129,300
Contingency (16%)		<u>20,700</u>
Total		\$150,000
Less: Funds released from the 1991 CDBG Tenant Improvement Pool, File 79-90-4.3		<u>100,000</u>
Total (Subject of this Legislation)		\$50,000

The applicant work to be done includes:

Hayes Valley Tenant Association - reopening of the laundry facility, removal of sand from the playground for replacement with rubber mat and installing a half basketball court.

Potrero Terrace and Annex Development - replacement of exterior light fixtures for both project areas.

Woodside Gardens Tenants' Association - repair and improvement of laundry room, upgrading of entrance lobby and floor signs for the visually disabled.

345 Arguello Boulevard Tenants' Association - repair of social room ceiling, lights and corridor carpet replacement.

25 Sanchez Street Tenants' Association - installation of a gate on rear of garage, bars on lower floor windows and installation of a fence over Duboce Street exit door.

Mission Dolores Tenant Association - installation of an iron gate at the rear entrance of the building to secure this area.

430 Turk Street Tenants' Association - installation of metal grill and gate at front entrance door and installation of metal grills on front windows of lobby entrance.

Valencia Gardens Tenants' Association - renovation and completion of the Family Community Center - wall mounted locking cabinets, double sink and drop ceilings (acoustic tiles).

Holly Courts Tenants' Association - renovation of the playground areas including replacement of playground equipment, basketball courts and removal of sand, etc.

Ping Yuen Residents' Improvement Association - playground and yard facility renovation of all buildings and replacement of gate at 655 Pacific Avenue.

John F. Kennedy Tower Tenants' Association - improvements to social room, elevators, first floor lobby, stairwell exit doors and front entrance door.

Rosa Parks Tenants' Association - remodeling for proposed mini market including wall shelves, dutch door counter, window guard grills.

350 Ellis Street Tenants' Association - replacement of front door, installation of locking system on front gate, improvement of lighting in halls and stairway.

666 Ellis Street Tenants' Association - replacement of entrance gate and construction of a protective railing on the existing wall and upgrading and installation of additional exterior lighting in the front of the building.

Alice Griffith Tenants' Association - resurfacing of playground black top at the Boys and Girls Club and replacement of missing parts of the fence in Boys and Girls Club yard.

320-330 Clementina Street Tenants' Association - replacement of drain in laundry room, brighter lighting on all floors and lighting in the elevators.

Alemaný Resident Management Council, Inc. - installation of a kitchen facility for the community room which is not currently included in the modernization plans.

Comments:

1. An amount of \$75,000 has been proposed to continue a SFHA Tenant Improvement Pool program in the 1993 Community Development Program. The 1993 Community Development Program will be submitted to the Board of Supervisors for review and approval later this month.

2. Ms. Irene Doss of the SFHA advises that the approval of proposals for elderly projects were restricted to security improvements, and, because the Golden Gate View proposal, which would have replaced corridor carpets and pads only, did not fulfill the guideline that the improvement provide added security to the elderly project, it was not approved for funding.

3. According to Mr. Wayne Lawrence of MOCD, the amount of the contingency totaling \$20,700, or 16 percent of the total \$129,300 awarded to the 17 approved proposals, has been set aside for cost overruns. However, Mr. Lawrence advises that no specific limit on the use of contingencies has been established for individual approved proposals. The Budget Analyst believes, and MOCD concurs, that there should be a limit on the use of contingencies for individual approved proposals, and that limit should be the same 16 percent as set aside for the total cost of all the approved proposals.

4. MOCD concurs that any remaining contingency balance should be added to either the proposed continuation of this program activity in 1993 as identified in Comment 1 or reprogrammed for other eligible Community Development Program activities.

Recommendation: Release the reserve with the provision that each individual tenant proposal will have a 16 percent contingency limit and that any residual funds be added to the 1993 SFHA Tenant Improvement Pool program or returned to MOCD for reprogramming. MOCD concurs with this recommendation and will implement its provisions.

Item 1b - File 101-91-74.1

Department: Department of Public Works

Item: Release of \$700,000 of Earthquake Safety Bond funds reserved pending selection of contractors and the determination of their MBE/WBE status, for an engineering study of the War Memorial and Opera House.

Description: In June, 1990, the San Francisco electorate approved a bond issue for the purpose of repairing earthquake damage and seismically upgrading various City facilities which are often visited by members of the public, such as Civic Center buildings, Public Health buildings, and the Performing Arts Center. The bond issue included \$42,225,900 for earthquake repair and seismic upgrades to the Opera House.

On June 26, 1992, a supplemental appropriation request of \$58,860,000 for Phase II 1990 Earthquake Safety Bond funds was approved by the Board of Supervisors (File 101-91-74). Of the total \$58,860,000 supplemental appropriation, \$11,244,000 was placed on reserve for the Performing Arts Building project, of which \$700,000 was designated for the Opera House, pending selection of contractors and the determination of the MBE/WBE status of the contractors.

The \$700,000 requested to be released would support a portion of a \$1,056,691 contract with EQE Engineering and Design and Structus Structural Design and Engineering, a joint venture, to conduct an engineering study of the Opera House. The contractor has agreed to perform the following eleven tasks, as follows:

- (1) Establish the project design criteria;
- (2) Provide building investigations (ie, conduct a detailed examination of the building);
- (3) Conduct a Federal Emergency Management Agency (FEMA) study to maximize earthquake damage reimbursement from FEMA;
- (4) Analyze data collected on the existing building;
- (5) Develop three schematic retrofit scenarios;
- (6) Provide schematic strengthening details for the three developed scenarios;
- (7) Analyze non-structural bracings, including anything that is not part of the building structure itself, such as light fixtures;

- (8) Complete mechanical, electrical and plumbing studies for inclusion in analyses;
- (9) Estimate costs of three scenarios;
- (10) Present information to the Bureau of Architecture and other agencies as necessary;
- (11) Implement management and administration of project in regard to subcontractors, such as geotechnical, mechanical and electrical experts and others.

Comments:

1. The DPW has selected EQE Engineering and Design and Structus Structural Design and Engineering, a joint venture, based on a competitive bid. The Bureau of Architecture received 15 bids for the proposed study. Structus Structural Design, at 35 percent of the joint venture, is a certified MBE firm, according to the Human Rights Commission, and EQE Engineering and Design is a registered MBE firm.

2. Mr. Mark Dorian of the Department of Public Works advises that the DPW has not begun any earthquake repairs at the Opera House. Mr. Dorian reports that the seismic structural deficiencies of the Opera House appear to be such that any earthquake repair work would need to be demolished at the start of seismic upgrading, which would render any previous repair work useless.

3. Of the total \$1,056,691 contract, \$700,000 would be supported by the proposed release of reserve, and \$300,000 was previously released from the same bond sale, and \$56,691 was previously released from a prior bond sale. The total \$356,691 was previously released for program, planning and design work, according to Mr. Dorian.

Recommendation: Approve the proposed release of reserve.

Item 1c - File 94-92-8

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Resolution authorizing the Public Utilities Commission to apply for, accept, and expend Federal Capital Assistance including the required local contribution from the Clean Air and Transportation Improvement Act of 1990 funds and/or State Transit Assistance funds and/or Bridge Toll Net Revenues and/or San Francisco Municipal Railway Improvement Corporation funds and/or Transportation Sales Tax Revenues to provide financing for the design and rehabilitation of the Municipal Railway's Fixed-Facilities.

Grant Amount: Federal Funds \$1,200,000
Match from local and regional match sources
(as identified above) 300,000
Total \$1,500,000

Grant Period: October 1992 through September 30, 1995 (Federal FYs)

Project Budget

Project Design		
5258 Senior Mech Engineer	\$9,548	
5268 Architect	12,071	
5206 Associate Civil Engineer	44,762	
5266 Arch Asst II	13,880	
5360 Civil Eng Assoc I	13,609	
5366 Engineering Assoc II	12,605	
5354 Elect Eng Assoc I	<u>5,444</u>	
Subtotal		\$111,919
Project Management		
5501 Project Manager II	<u>27,270</u>	
Subtotal		27,270
Construction Management		
6235 Heating Vent Inspector	18,864	
6318 Construction Inspector	<u>15,898</u>	
Subtotal		34,762
Procurement and Construction		1,146,470
Contingency (based on 10.5 percent of procurement, construction, project and construction management)		127,392

BOARD OF SUPERVISORS
BUDGET ANALYST

Indirect Costs (based on department and City-wide overhead)	\$ 52,187
Total	\$1,500,000

Description: This project includes various modifications to subway, surface and maintenance facilities throughout the MUNI Metro System. Modifications include work on platforms, curbs, standpipes and pavement in order to accommodate the larger size transit vehicle to supplement the existing Light Rail Vehicle (LRV) fleet with the new LRV II vehicles.

This project represents the fourth in a series of four capital projects to rehabilitate existing MUNI Metro fixed facilities. The four projects include:

<u>Project Title</u>	<u>Total Funds</u>
Metro East Facility Project	\$1,500,000
Eureka Portal Reconstruction	1,751,800
Fixed Facility Rehab inc. Cable Car Hatch Cover Installation	1,500,000
Fixed Facility Rehab Improvement, system-wide (this item)	<u>1,500,000</u>
Total Metro Fixed Facilities Improvements	\$6,251,800

Indirect Costs: The PUC has included an amount of \$52,187 in the subject budget to cover Department and City-wide overhead costs.

Comments:

1. The subject legislation identifies Federal grant and local match funds that would make alterations to subway, surface and maintenance facilities to accommodate larger LRVs than are currently in service in the MUNI fixed rail system. A separate proposed LRV II contract with the firm Breda of Italy specifies production of a larger transit vehicle than the existing Boeing-Vertol transit cars. This improved transit design would provide: (1) a longer car body, providing greater passenger space, cab space and less under seat equipment; (2) a wider car, increasing aisle width and improving passenger flow; (3) four doors, instead of 2 doors, reducing the standing time at stations and improving system running time; and (4) improved body and roof design allowing roof mounted equipment.

2. Mr. Jerry Levine of the PUC Finance Bureau advises that Requests for Proposal (RFP) for Procurement and Construction, and Contingency costs totaling \$1,273,862 are pending.

3. Mr. Levine also advises that the current MBE/WBE/LBE goal for MUNI capital projects is 32 percent and, through the quarter ending June 30, 1992, the actual amount in MBE/WBE/LBE contracts is only 21.5 percent, 10.5 percent below MUNT's stated goal. As of June 30, 1992, a total of \$42,790,863 in contracts have been approved for MUNI projects and of that total \$9,196,021 have been let to MBE/WBE/LBE contractors.

Recommendation: Reserve \$1,273,862 for procurement and construction (\$1,146,470) and contingency (\$127,392) as identified in Comment 2 above, pending identification of the contractors, the MBE/WBE/LBE status of the contractors and the contractors' cost details.

Approve the proposed resolution as amended.

Item 1d - File 94-92-9

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Resolution authorizing the Public Utilities Commission (PUC) to apply for, accept, and expend Federal Capital Assistance and a required local match funds from the State of California Transit Capital Improvement funds, and/or the Kopp-Katz-Baker Transportation Blueprint for the Twenty-First Century and/or AB 664 Bridge Toll Revenues, and/or Regional Measure One Bridge Toll Revenues, and/or Transit Development Fee, and/or San Francisco Municipal Railway Improvement Corporation Funds, and/or Transportation Sales Tax Revenues to acquire trolley coaches.

Grant Amount: Federal Capital Assistance Section 3 Funds \$15,000,000
Match from local and regional match sources
(as identified above) 2,647,059
Total \$17,647,059

Grant Period: October 1992 through December 31, 1995 (3 years & 3 months)

Project Budget:	<u>Project Activity</u>	<u>Amount</u>
	Purchase of Vehicles	
	Trolley Cost	\$13,662,240
	Sales Tax @ 8.5 percent	<u>1,161,290</u>
	Subtotal	\$14,823,530
	Spare Parts	
	Cost of Parts	1,219,842
	Sales Tax @ 8.5 percent	<u>103,687</u>
	Subtotal	1,323,529
	Direct Project Costs	475,113
	Professional Services Agreement	617,647
	Contingency	264,706
	Indirect Costs	<u>142,534</u>
	Total	\$17,647,059
	Federal Share (85%)	15,000,000
	Local Share (15%)	<u>2,647,059</u>
	Total	\$17,647,059

BOARD OF SUPERVISORS
BUDGET ANALYST

Description: This application for Federal funding continues the phased replacement of MUNI's remaining Flyer fleet with the purchase of twenty-two (22) articulated trolley coaches and spare parts.

MUNI's existing fleet of 345 Flyer standard-sized trolley coaches would be replaced over the next several years with a mix of roughly 213 articulated and 100 standard trolley coaches for a total of 313 transit vehicles. An interim goal of 90 articulated and 100 standards has been set based on near-term storage capacity of MUNI's current storage facilities.

It is MUNI's expectation that the Flyer trolley fleet can be fully replaced over the next ten years. While the number of vehicles comprising the fleet will be reduced from 345 to 313, the Standard Coach Equivalency of passenger space will increase from 345 to 420 with the larger articulated vehicles. The 10 year phased replacement plan allows for a phased, small scale renewal of the fleet and recognized limitations of MUNI's financial and staff resources.

Required Match: \$2,647,059

Indirect Costs: The PUC has included an amount of \$142,534 in the grant request to cover Department and City-wide overhead costs which is calculated as 30 percent of the Direct Project Cost identified in the budget (see comment 6).

Comments: 1. PUC has amended the subject legislation with a revision to the Project Budget as follows:

<u>Project Activity</u>	<u>Amount</u>
Purchase of Vehicles	
Trolley Cost	\$13,662,240
Sales Tax @ 8.5 percent	<u>1,161,290</u>
Subtotal	\$14,823,530
Spare Parts	
Cost of Parts	1,219,842
Sales Tax @ 8.5 percent	<u>103,687</u>
Subtotal	1,323,529
Direct Project Costs (see Comment 3 and 4)	376,117
Professional Services Agreement (see Comment 5)	617,647
Contingency (see Comment 6)	393,401

BOARD OF SUPERVISORS
BUDGET ANALYST

Indirect Costs (see Comment 7)	<u>\$ 112,835</u>
Total	\$17,647,059

2. PUC estimates that 22 trolley coaches will be purchased with the subject grant. Because a contractor for the manufacturing of the trolleys and spare parts has not yet been selected, the funds budgeted for these purchases totaling \$16,147,059 should be reserved pending identification of the contractors, the MBE/WBE/LBE status of the contractors and the contractors' cost details.

3. Direct Project Costs include Project Management, Vehicle Acceptance Testing, Post Acceptance Preparation and Direct Travel Expenses for the 3 year and 3 month period, October 1992 through December 1995. This \$376,117 amount amends the original budget amount of \$475,113 for Direct Project Costs which was identified for a 5 year and 10 month grant period. The revised budget is as follows:

Project Management		
9188 Transit Equip Engineer	\$ 19,920	
5174 Administrative Engineer	91,750	
5240 Electrical Engineer	<u>106,722</u>	
Subtotal		\$218,392
Acceptance Testing		
7409 Elect Transit Serv Worker	5,183	
7379 Elect Transit Mechanic	6,002	
7380 Elect Transit Mech Asst Supr	32,025	
7214 Elect Transit Equipment Supr	<u>9,480</u>	
Subtotal		52,690
Post Acceptance Preparation for Service		
7318 Elect Maint Technician	3,890	
7329 Elect Maint Tech Asst Supr	6,275	
7409 Elect Transit Serv Worker	<u>2,595</u>	
Subtotal		12,760
Direct Travel Expenses		<u>92,275</u>
Total Direct Project Costs		\$376,117

4. Direct travel expenses totaling \$92,275 should be reserved pending PUC providing cost details on the need to travel.

5. Mr. Fred Howell of PUC advises that the Professional Services Agreement for \$617,647 is because a consultant will

BOARD OF SUPERVISORS
BUDGET ANALYST

be hired to develop the draft specifications for the trolley coach purchase, assist in the evaluation of bids and monitor the manufacturing of the trolley coaches. Pending the identification of the contractors, the MBE/WBE/LBE status of the contractors and the contractors' cost details, the \$617,647 budgeted for professional services should be reserved.

6. PUC has amended the budget's contingency line item by increasing the amount by \$128,695 from \$264,706 to \$393,401. The contingency amount of \$393,401 represents 2.4 percent of the total purchase cost for the trolleys and spare parts. The revised \$393,401 amount of funds set aside for contingencies should be reserved along with the funds set aside in reserve for the purchase of the trolleys and spare parts.

7. The Indirect Cost total of \$142,534 has been revised to \$112,835 to reflect the modification to Direct Project Costs from \$475,113 to \$376,117. The new Indirect Cost total of \$112,835 is calculated at the same 30 percent level based on the revised \$376,117 amount for Direct Project Costs.

8. Mr. Jerry Levine of PUC advises that the current MBE/WBE/LBE goal for MUNI capital projects is 32 percent and, through the quarter ending June 30, 1992, the actual amount in such contracts is only 21.5 percent, 10.5 percent below MUNI's stated goal. As of June 30, 1992, a total of \$42,790,863 in contracts have been approved for MUNI projects during the previous nine months and of that total \$9,196,021 have been awarded to MBE/WBE/LBE contractors.

8. As indicated in Comments 2, 4, 5 and 6 above, a total of \$17,250,382 should be reserved pending additional information on cost details for budgeted funds for contractual services, travel and contingencies.

Recommendation: 1. Amend the proposed resolution as follows:

Page 3, Line 7, change \$1,326,529 to \$1,323,529 to correct a numerical error in the proposed resolution;

Page 3, Line 8, change \$475,113 to \$376,117 to reflect the budgeted change to the Direct Project Costs;

Page 3, Line 10, change \$264,706 to \$393,401 to reflect the budgeted change to the Contingency amount; and

Page 3, Line 11, change \$142,534 to \$112,835 to reflect the revised calculation for the Indirect Cost amount.

BOARD OF SUPERVISORS
BUDGET ANALYST

2. Reserve \$17,250,382 for trolley and spare parts purchases (\$16,147,059), for travel (\$92,275), for professional services (\$617,647) and for contingencies (\$393,401) as identified in Comments 2 through 5 above, pending identification of cost details for travel and contractual services including the MBE/WBE/LBE status of the contractors.

Item 1e - File 146-92-52.1

Department: Department of Public Health (DPH)
AIDS Office

Item: Resolution authorizing the Department of Public Health to accept and expend a continuation grant, which includes indirect costs of \$241,709 based on 20 percent of personnel costs, from the Centers for Disease Control to continue funding the AIDS Surveillance Project.

Grant Amount: \$2,102,567

Grant Period: January 1, 1993 through December 31, 1993

Source of Funds: Federal Department of Health and Human Services,
Centers for Disease Control (CDC)

Project: AIDS Surveillance and Seroprevalence Project

Description: The Board of Supervisors previously approved a resolution (File 146-92-52) authorizing the DPH to apply for a grant of up to \$2.5 million from the CDC to continue funding the AIDS Surveillance Project. The proposed resolution would authorize the DPH to accept and expend this grant of \$2,102,567 to continue funding the AIDS Surveillance and Seroprevalence Project. The AIDS Surveillance Project identified and tracks cases of AIDS through various methods, including surveillance at seven San Francisco hospitals, visits to private physician's offices, routine reporting by physicians and other health care practitioners, death certificate surveillance, and various other sources. The AIDS Surveillance Project collects other information regarding identified AIDS cases, such as the coincidence of other diseases, medical history, and test results. Useful supplemental data is also collected, including census tract, diagnosing hospital, ethnicity, and history of antiviral therapy. AIDS surveillance information is disseminated to community-based organizations, medical centers, medical providers, AIDS organizations, and hospitals.

The Seroprevalence Project estimates the prevalence of HIV infection in San Francisco through surveys. These surveys are designed to estimate the level of HIV infection in various populations and to monitor trends over time. The proposed grant would support surveys to be conducted at various sites throughout the City and in various other counties. 1993 populations to be surveyed include young men, homeless youth, women seeking family planning, and non-injection

drug users. In the Bay Area, the counties of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara and Sonoma County would participate in seroprevalence surveys. Seroprevalence data would be used to target and evaluate HIV/AIDS prevention programs.

Required Match: None.

Indirect Costs: \$241,709, based on 20 percent of salary costs.

Project Budget:	<u>Personnel</u>	<u>FTE</u>	
	Sr. Health Programmer	0.2	\$10,414
	Health Program Coordinator III	0.8	36,655
	Epidemiologist III	1.0	63,724
	Epidemiologist II	2.0	97,700
	Epidemiologist I	0.1	4,394
	Sr. Disease Control Investigator	4.0	180,595
	Disease Control Investigator	11.0	490,432
	MIS Specialist III	0.3	12,702
	MIS Technician II	2.7	65,519
	Senior Programmer Analyst	0.5	28,560
	Programmer Analyst	1.0	42,696
	Sr. Microbiologist	1.0	55,252
	Laboratory Helper	0.5	15,264
	Secretary II	1.0	38,569
	Sr. Clerk Typist	1.0	36,480
	Physician Specialist	0.1	11,101
	Social Worker	<u>0.5</u>	<u>18,486</u>
	Subtotal Salaries	27.7	\$1,208,543
	Fringe Benefits at 26 %		<u>314,220</u>
	Total Personnel		\$1,522,763
	<u>Travel</u>		
	Local Travel		13,650
	Out-of-Jurisdiction Travel		
	(mandated trips to funder)		<u>3,600</u>
	Total Travel		17,250
	<u>Equipment</u>		
	Personal Computers		
	(3 at approximately \$2,862 each)		8,585
	Software		1,087
	Computer Network Equipment		
	(cables, cards, etc.)		<u>2,035</u>
	Total Equipment		11,707

BOARD OF SUPERVISORS
BUDGET ANALYST

Materials and Supplies

Office Supplies	\$10,143	
Clinical Supplies	3,000	
Laboratory Tests (a total of approx. 13,000 various HIV tests)	73,383	
Slides	500	
Educational Supplies	1,000	
Furniture	3,570	
Subscriptions	<u>500</u>	
Total Materials and Supplies		\$92,096

Contractual Services

*University of California, Women's Health Centers
San Francisco General Hospital
(see Comment 5)*

Salaries	\$16,500	
Fringe Benefits @ 18%	<u>3,000</u>	
Total Contractual Salaries	19,500	
Materials and Supplies	<u>500</u>	
Total UC Women's Health		20,000

Haight-Ashbury Free Medical Clinics, Inc.

Salaries	16,000	
Fringe Benefits @ 19%	<u>3,000</u>	
Total Contractual Salaries	19,000	
Materials and Supplies	<u>1,000</u>	
Total Haight Ashbury Free Clinics		20,000

*Alameda County, Contra Costa County, San Mateo County,
Sonoma County, Santa Clara County, Marin County
(see Comment 6)*

Salaries	15,000	
Fringe Benefits @ 26%	<u>3,900</u>	
Total Various Counties		<u>18,900</u>

Total Contractual Services 58,900

Operating Expenses

Rent	52,191
Telephone	24,173
Photocopy Lease	9,100
Postage	3,340
Courier Services	2,000
Printing	3,300
Reproduction	4,838
Advertising	800
MIS Account	2,500
National Death Index Fees	3,400
Incentives for Survey Participants	25,000

BOARD OF SUPERVISORS
BUDGET ANALYST

Insurance	<u>\$7,500</u>	
Total Operating Expenses		\$138,142
<u>Recreational Vehicle (RV) Costs</u> (see Comment 3)		
RV fuel, oil, tolls, etc.	2,400	
RV parking	1,100	
RV rental and insurance	<u>14,400</u>	
Total RV Costs		17,900
<u>Training</u>		2,100
<u>Indirect Costs</u>		<u>241,709</u>
Total Project Budget		\$2,102,567

Comments:

1. The proposed grant includes \$241,709 in indirect costs, which is equal to 20 percent of salaries, not including fringe benefits.
2. The proposed grant would be the third year of a five year grant. The proposed grant of \$2,102,567 represents a \$116,455 or 5.9 percent increase over the prior year's grant of \$1,986,112.
3. A portion of the proposed grant would support a Young Men's Study, where DPH personnel would travel in a mobile recreational vehicle (RV) to sites where young men are known to congregate in order to provide HIV testing. Funds to support this RV are included under RV Costs, at a total of \$17,900.
4. The DPH advises that local travel costs, at \$13,650, include 25¢ per mile for use of employee vehicles. Employee vehicles are to be used for surveillance staff to conduct surveillance activities and field investigations, for seroprevalence personnel to travel between project sites, for the Young Men's Survey coordinator to investigate and negotiate multicounty survey sites, and for travel to mobile Young Men's Survey sites.
5. The University of California (UC), Women's Health Centers, San Francisco General Hospital (SFGH), at \$20,000 for contractual services, would estimate the prevalence of the HIV virus among women attending the abortion clinic at SFGH. The survey would allow the DPH to compare HIV prevalence for women in the abortion clinic with women carrying their pregnancies to term in demographically similar populations.

BOARD OF SUPERVISORS
BUDGET ANALYST

The Haight Ashbury Free Medical Clinics, Inc., at \$20,000 for contractual services, would estimate HIV seroprevalence among non-injection drug users entering their detoxification program.

According to the DPH, the UC Women's Health Centers and the Haight Ashbury Free Medical Clinics, Inc. were selected on a sole source basis because these organizations have been collecting and analyzing data for the surveys of non-injection drug users and women seeking family planning for the first two years of the project. The funder has mandated that these organizations be retained to complete their survey work. The University of California and the Haight Ashbury Free Medical Clinics are non-profit organizations.

6. Alameda County, Contra Costa County, San Mateo County, Sonoma County, Santa Clara County, and Marin County, at \$18,900, would support personnel from the various counties to assist Young Men's Survey personnel to conduct survey activities in their counties, and would give test results and post-test counseling to survey participants in their respective counties. The various counties were selected on a sole source basis, as they were the county governments in the areas surveyed. These sole source selections are also mandated by the funder, according to the DPH.

7. The proposed grant includes \$11,707 for computer equipment. The DPH has not received authorization from the Electronic Information Processing Steering Committee (EIPSC) for the proposed computer purchase. Therefore, \$11,707 should be reserved pending EIPSC approval.

8. Attached is the Summary of Grant Request, as prepared by the DPH.

9. The DPH has completed a Disability Access Checklist, which is in the file.

Recommendations: Amend to reserve \$11,707 pending EIPSC approval, and approve, as amended.

Item No. Health Commission - Summary of Grant Request

Rev 4/10/90

Dept of Health and Human Services

Grantor Centers for Disease ControlDivision CO/AIDS DivContact Person Nealeen Austin/Jeff EfiridSection AIDS OfficeAddress 1600 Clifton RoadContact Person Tim PilandAtlanta, GA 30305Telephone 554-9132Amount Requested \$ 2,102,567Application Deadline 8/17/92Term: From 1/1/93 To 12/31/93Notification Expected 10/15/92Health Commission 9/15/92

Board of Supervisors: Finance Committee

Full Board

I. Item Description: Request to ~~(accept and expend)~~ (accept and expend) a ~~(new)~~ (continuation) ~~(extension)~~ ~~(renewal)~~ ~~(renewal)~~ grant in the amount of \$2,102,567 from the period of 1/1/93 to 12/31/93 to provide continued support for AIDS Surveillance Project services.

II. Summary: (Concise summary of need addressed; number of persons served; services and providers)

First year of new three-year project period; funds all HIV/AIDS surveillance and seroprevalence activities conducted by the AIDS Office; project will include National Death Index Project activities as well beginning this year; please see detailed description of AIDS Surveillance Project activities included in this resolution package.

III. Outcomes/Objectives:

The overall object of this project is to generate meaningful morbidity and mortality data about the nature of this epidemic in order to identify and address HIV/AIDS disease trends and issues.

IV. Effects of Reduction or Termination of These Funds:

Failure to accept and expend these funds would significantly impair our ability to measure and track the AIDS epidemic in San Francisco; failure to accept and expend these epidemiologic research funds would also jeopardize future grant funding.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Rec. Match	Approved by
Grant Amount	1,685,616	1,986,112	2,102,567	+ 116,455	None	
Personnel	1,112,330	1,393,627	1,522,763	+ 129,136		
Equipment	6,473	18,180	11,707	- 6,473		
Contract Svc.	156,529	156,529	58,900	- 97,629*		
Mat. & Supp.	102,126	102,426	92,161	- 10,265		
Facilities/Space	35,986	35,986	52,191	+ 16,205		
Other	93,678	94,152	123,136	+ 28,984		
Indirect Costs	214,750	221,211	241,709	+ 20,498		

VI. Data Processing

(Not included above)

Col. A	Col. B	Col. C	Col. D
6,473	18,180	11,707	- 6,473

VII. PersonnelF/T CSC 27.4029.7027.70- 2.00

P/T CSC

Contractual 6.756.75TBDTBD

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
None

Will grant funded employees be retained after this grant terminates? If so, How?

No

*VIII. Contractual Services: Open Bid Sole Source 2 renewals ** (If not used, check box for Sole Source)

*Reflects decrease in seroprevalence contract funding: see Budget Committee cover memo.

Item 1f - File 146-92-69

Department: Department of Public Health (DPH)

Item: Resolution authorizing the Department of Public Health to accept and expend a grant of \$630,399, which includes indirect costs in the amount of \$30,580, based on 20% of salaries from the Federal Bureau of Health Care Delivery Assistance for linked primary care and substance abuse services, and providing for ratification of action previously taken.

Grant Amount: \$630,399

Source of Grant: U.S. Department of Health and Human Services, Bureau of Health Care Delivery Assistance.

Grant Period: October 1, 1992 to September 30, 1993

Project: Primary Care/Addiction Linkage Treatment Services (PALS)

Description: The Board of Supervisors previously authorized the DPH to apply for the proposed grant (File 146-92-66). The proposed grant would fund the fourth and last year of a four-year demonstration project to link primary health care to drug treatment and counseling. The project has three primary objectives: (1) to plan, implement and study the feasibility and outcomes of projects in which substance abuse and primary care services are co-located, (2) to study the impact on health outcomes when case management is provided in this context and (3) to provide training for medical and nursing staff, allied health staff, social workers and community based organizations on substance abuse, primary care, HIV disease, mental illness and the implications for service provision which occur because of the inter-relationship between these elements. Primary care and substance abuse services would be provided to project clients through the City-operated Tom Waddell Clinic, and the non-profit Haight Ashbury Free Clinic and the non-profit Bayview Hunters Point Foundation. A staff training component would also be provided at Haight Ashbury Free Clinic. Additionally, the University of California, San Francisco, Institute for Health Policy Studies would continue to serve as an evaluation consultant for the program.

No. of Persons to be Served: Approximately 200 new clients and 160 continuing clients for a total of approximately 360 clients.

BOARD OF SUPERVISORS
BUDGET ANALYST

Project Budget:	<u>Personnel</u>	<u>FTE</u>	
	Project Coordinator	1.0	\$51,548
	Medical Social Worker.	1.6	70,574
	Registered Nurse	.5	25,786
	Clerk	.2	<u>4,990</u>
	Subtotal		\$152,898
	Fringe Benefits		<u>42,811</u>
	Subtotal Personnel	<u>3.3</u>	\$195,709

Operating Expenses

Travel and Training	\$1,500
Supplies	2,000
Contractual	<u>400,610</u>
Subtotal	\$404,110

<u>Indirect Costs</u>	<u>\$30,580</u>
Total	\$630,399

Indirect Costs: \$30,580, based on an estimated 20 percent of salaries.

Required Match: None

Comments: 1. Contracts with existing contractors would be renewed which includes the following:

Bayview Hunters Point Foundation	\$153,839
Haight Ashbury Free Clinic	197,226
UCSF Institute for Health Policy Studies	<u>49,545</u>
Total	\$400,610

2. The \$1,500 budgeted for travel and training would fund the Project Coordinator to attend the Linkage Project conference in Washington D.C.

3. The DPH advises that since this is the last year of a four-year demonstration project, the Department will not retain the grant positions when funding for this project is terminated.

4. As noted above, the grant period is from October 1, 1992 to September 30, 1993. Ms. Janet Murphy of the DPH reports that in order to prevent a gap in service, this program has continued to operate even though the DPH has not previously requested the Board of Supervisors to authorize the acceptance and expenditure of the proposed grant funds. Ms. Murphy advises that the Haight Ashbury Medical Center, the

BOARD OF SUPERVISORS
BUDGET ANALYST

Bayview Hunters Point Foundation and the UCSF Institute for Health Policy Studies have continued to provide contract services, and when the proposed grant funds are received, the DPH will reimburse these contractors for their expenditures. According to Ms. Murphy, the services provided by the City have been funded through the Department's excess Salary Savings (Temporary Salaries - Community Public Health Services). Therefore, the proposed resolution provides for ratification of action previously taken.

5. Attached is the Summary of Grant Request, as prepared by the DPH, for this proposed grant.

6. A Disability Access Checklist is included in the Board of Supervisors file.

Recommendation: Approve the proposed resolution

Grantor HHS-BHODA Division TPHS
 Contact Person Kathleen Sample Section Administration
 Address 12100 Parklawn Drive Contact Person Jan Murphy
Rockville, M.D. 20857 Telephone 554-2617
 Amount Requested \$ 630,399.00 Application Deadline 7/31/92
 Term: From 10/1/92 To 9/30/93 Notification Expected 9/30/92
 Health Commission Board of Supervisors: Finance Committee
 Full Board

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (substitution) (augmentation) (modification) grant in the amount of \$630,399.00 from the period of 10/1/92 to 9/30/92 to provide linked primary care and substance abuse services.

II. Summary: (Concise history; need addressed; need for - groups served; services and providers)

This is the fourth year of the program which provides coordinated linkage between primary health care and substance abuse services in San Francisco. Approximately 200 new clients and 160 continuing clients will receive primary care, substance abuse and case management services. Training will be provided for 900 health professionals.

III. Outcomes/Objectives:

To improve access to care and health outcomes for IV drug users, reduce prevalence of IV drug use, reduce spread of HIV infection among IV drug users, and to raise awareness among health care providers of the importance of linking medical care, substance abuse and HIV services.

IV. Effects of Reduction or Termination of These Funds:

Reduction or termination of these funds would make it impossible to continue the project.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	920,209	623,871	630,399	+6,528		
Personnel	258,609	192,935	195,709	+2,774		
Equipment	4,855	0	0			
Contract Svc.	512,824	391,985	400,610	+8,625		
Mat. & Supp.	46,200	4,000	2,000	(2,000)		
Facilities/Space	0	0	0			
Other	40,000	4,462	1,500	(2,962)		
Indirect Costs	51,721	30,489	30,580	91		

VI. Data Processing

(same included above)

VII. Personnel

	6	3	2	(1)
F/T CSC				
P/T CSC	.20	1.70	1.3	(.4)
Contractual	7.9	7.9	7.65	(.25)

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Will grant funded employees be retained after this grant terminates? If so, How?

NO.

VIII. Contractual Services: Open Bid Sole Source XX (If sole source, attach rationale for Emergency Form)

Item 1g - File 146-92-70

Department: Department of Public Health (DPH)
Community Public Health Service,
Family Health, Child Health and Disability Prevention
Program

Item: Resolution authorizing the Department of Public Health to accept and expend an allocation in the total amount of \$2,187,178, which includes indirect costs in the amount of \$251,836, based on 20% of salaries, from the State Department of Health Services for Child Health and Disability Prevention Services, and providing for ratification of action previously taken.

Amount: \$2,187,178

Source of Allocation: State Department of Health Services

Term of Allocation: July 1, 1992 to June 30, 1993

Project: Child Health and Disability Prevention Program (CHDPP).

Description: The CHDPP includes four programs: Child Health and Disability Prevention, Early Periodic Screening Diagnosis and Treatment, Public Health and Nursing Enhancement and Prenatal Care Guidance. The services facilitate regular pediatric health screening for Medi-Cal children under 21 and children in low income families, ages up to 29 months and those entering the first grade. Information, referral and outreach services are also provided to families of the children and pregnant women eligible for Medi-Cal.

No. of Persons to be Served: Outreach services to 91,037 Medi-Cal and low income children

Outreach and case management services to approximately 980 high risk pregnant women.

Budget:

Personnel

Child Health and Disability Prevention (CHDP)

	<u>FTE</u>		
Project Coordinator	.25	\$20,853	
Health Educator	1.40	77,084	
Executive Secretary I	1.00	35,896	
Clerk	1.00	28,756	
Health Worker III	1.00	31,676	
Public Health Nurse	.10	<u>6,868</u>	
Subtotal Salaries		201,133	
Fringe Benefits		<u>58,329</u>	
Subtotal CHDP	4.75		\$259,462

Early Periodic Screening
Diagnosis and Treatment (EPSDT)

Project Coordinator	.25	20,853	
Medical Consultant	.25	23,509	
Clerk Typist	1.00	22,000	
Health Worker III	1.00	34,731	
Health Worker II	1.00	34,012	
Public Health Nurse	2.00	137,703	
Senior Clerk Typist	.75	22,793	
Health Worker I	1.00	25,120	
Social Worker	.50	<u>47,352</u>	
Subtotal Salaries		368,073	
Fringe Benefits		<u>106,741</u>	
Subtotal (EPSDT)	7.75		474,814

Public Health and Nursing
Enhancement (PHNE)

Public Health Nurse	5.00	343,385	
Supervising Public Health Nurse	1.50	125,115	
Clerk Typist	.25	<u>7,598</u>	
Subtotal Salaries		476,098	
Fringe Benefits		<u>142,829</u>	
Subtotal PHNE	6.75		618,927

Prenatal Care Guidance (PCG)

Public Health Nurse	6.50	<u>415,004</u>	
Subtotal Salaries		415,004	
Fringe Benefits		<u>120,351</u>	
Subtotal PCG			535,355

Operating Expenses

Materials and Supplies		\$32,924	
Rent		<u>13,860</u>	
Subtotal			46,784

BOARD OF SUPERVISORS
BUDGET ANALYST

	<u>FTE</u>	
<u>Indirect Costs</u>	<u> </u>	<u>\$251,836</u>
Total	25.75	\$2,187,178

The total allocation of \$2,187,178 consists of Child Health and Disability Prevention (\$282,904), Early Periodic Screening Diagnosis and Treatment (\$564,379), Public Health and Nursing Enhancement (\$721,407), and Prenatal Care Guidance (\$618,488).

Indirect Costs: \$251,836 or 20 percent of salaries

Required Match: None

Comments: 1. According to the DPH, the proposed State allocation, in contrast to a State grant, is a direct allocation of funds and does not require that the DPH submit an application to the State. Therefore, the proposed resolution only includes authorization to accept and expend the proposed State allocation.

2. The proposed grant includes \$251,836 for indirect costs which represents approximately 17 percent of salaries. However, the proposed resolution indicates that indirect costs are based on 20 percent of salaries. Ms. Mildred Crear of the DPH reports that the Department made a policy decision to include 17 percent as opposed to 20 percent in order to allow more funding for direct services. Since the Department's decision to reduce the indirect costs from 20 percent of salaries to 17 percent of salaries results in less reimbursement to the General Fund, approval of the Department's decision to reduce the indirect costs is a policy matter for the Board of Supervisors.

3. As noted above, the grant period is from July 1, 1992 to June 30, 1993. Ms. Mildred Crear of the DPH reports that in order to avoid a gap in service, this program has continued to operate for the past three and a half months even though the DPH has not previously received authorization from the Board of Supervisors to accept and expend these proposed grant funds. Mr Larry Ross of DPH, Accounting advises that the Program is being funded with excess Salary Savings (Temporary Salaries - Community Public Health Services).

4. In 1991-1992, the DPH received a total of \$2,105,021 for the CHDPP. The proposed \$2,187,178 allocation for 1992-1993, represents a \$82,157 or 3.9 percent increase.

BOARD OF SUPERVISORS
BUDGET ANALYST

5. The DPH reports that the Department has been allocated funds from the State for the CHDPP since 1976. The Department does not expect the State to terminate this annual allocation.

6. Attached is the Summary of Grant Request, as prepared by the DPH, for this proposed grant.

7. A Disability Access Checklist is included in the Board of Supervisors file.

Recommendations: 1. Approval of the indirect costs at 17 percent of salaries instead of 20 percent of salaries is a policy matter for the Board of Supervisors.

2. If the Board of Supervisors approves the Department's decision to reduce the indirect costs, the proposed legislation should be amended to delete reference to the phrase 20 percent of salaries in the title and body of the legislation and add 17 percent of salaries and the proposed resolution should be approved as amended.

Grantor State Health Department Division Family Health
 Contact Person Doug Mc Conkie Section Child Health & Disability Prevention
 Address 714 P St., Rm. 708 Contact Person Mildred Crear (CH)
Sacramento, CA 95814 Telephone 415-554-9950
 Amount Requested \$ 2,187,178 Application Deadline n/a
 Term: From 7-1-92 To 6-30-93 Notification Expected _____
 Health Commission _____ Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation) to a
 grant in the amount of \$ 2,187,178 from the period of 7-1-92 to 6-30-93
 to provide referral for well child and prenatal services.

II. Summary: (Concise summary of project - include a project name, services and providers)

Outreach services to 91,037 Medi-Cal and low income children 0-21 years to get them under
medical care. Outreach and case management services to high risk pregnant Medi-Cal women

III. Outcomes/Objectives:

To inform new target population of CHDP eligibility to increase the number of CHDP exams.
Promote anti-tobacco health education to provider community.

IV. Effects of Reduction or Termination of These Funds:

Decrease health services to this high-risk population.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Org.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	\$1,559,646	\$2,105,021	\$2,187,178	\$82,157		
Personnel	1,398,929	1,888,558	1,888,558	-0-		
Equipment						
Contract Svc.						
Mat. & Supp.	11,380	32,792	32,924	132		
Facilities/Space	12,600	13,860	13,860	-0-		
Other						
Indirect Costs	136,737	169,679	251,836	82,157		

VI. Data Processing

(none included above)

VII. Personnel

	13	25	25	0
F/T CSC				
P/T CSC	3	3	3	0
Contractual				

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

Will grant funded employees be retained after this grant terminates? If so, how?

VIII. Contractual Services: Open Bid

State Source

Item 1h - File 146-92-71

Department: Department of Public Health (DPH)

Item: Resolution authorizing the Department of Public Health to apply for, accept and expend a continuation grant of \$1,384,872, which includes indirect costs in the amount of \$97,447, based on 10% of personnel costs, from the State Department of Health Services, and providing for ratification of action previously taken.

Amount of Grant: \$1,384,872

Source of Grant: State Department of Health Services

Grant Period: October 1, 1992 to September 30, 1993

Project: Women, Infants and Children (WIC) Program

Description: The WIC Program provides nutrition education and supplemental foods to pregnant, lactating or post-partum women and to children under age five who are receiving ongoing medical care. Eligible clients must also meet Federal income guidelines, reside in the local target area and be determined by a health professional to be at nutritional risk.

No. of Persons to be Served: 14,079 participants per month

Grant Budget:	<u>Personnel</u>	<u>FTE</u>	
	Sr. Nutritionist	1.0	\$59,815
	Nutritionist	5.5	295,882
	Health Worker III	1.0	37,538
	Health Worker II	5.0	166,389
	Health Worker I	14.5	413,853
	Clerical	.1	<u>1,000</u>
	Subtotal Salaries		\$974,477
	Fringe Benefits (29%)		<u>283,216</u>
	Subtotal Personnel	27.1	\$1,257,693
	<u>Operating Expenses</u>		
	Staff Mileage		\$4,000
	Equipment Lease		3,050
	Rent		4,001
	Materials and Supplies		9,681
	Communications		6,000
	Educational Materials and Supplies		<u>3,000</u>
	Subtotal		\$29,732

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Indirect Cost</u>	<u>\$97,447</u>
Total	\$1,384,872

Indirect Costs: \$97,447 or 10 percent of personnel costs excluding fringe benefits.

Required Match: None

Comments:

1. The application deadline for the proposed grant was July 1, 1992. The DPH advises that the application for these grant funds has already been submitted. Additionally, according to Mr. Steve Purser of the DPH, in order to prevent a gap in service, the WIC Program has continued to operate without the Board of Supervisors' prior authorization for the acceptance and expenditure of the proposed grant. Therefore, the proposed resolution provides for ratification of action previously taken. Mr. Purser advises that the Program is being funded with WIC grant monies carried forward from 1991-1992.
2. The proposed \$1,384,872 in State grant funds for 1992-1993 is \$50,314 or 3.7 percent greater than the \$1,334,558 DPH received in 1991-1992.
3. Attached is a Summary of Grant Request, as prepared by the DPH, for the proposed grant.
4. A Disability Access Checklist, for each of the eight program sites, is included in the file.

Recommendation Approve the proposed resolution.

Grantor State Dept of Health Services
Contact Person Jo Ann Wray, Chief of WIC
Address 714/744 P Street
Sacramento, CA 95814

Division CPHS
Section Family Health
Contact Person Florence Stroud
Telephone 415/554-2620

Amount Requested \$ 1,384,872

Application Deadline 07/01/92

Term: From 10/01/92 To 09/30/93

Notification Expected 09/15/92

Health Commission 09/01/92 Board of Supervisors: Finance Committee

Full Board

I. Item Description: Request to apply for (accept and expend) a (NEW) (continuation) (~~AMENDMENT~~) (~~RENEWAL~~)
(Check appropriate words) grant in the amount of \$ 1,384,872 from the period of 10/01/92 to 09/30/93
to provide WIC services.

II. Summary: (Concise summary; brief statement; number of groups served; services and providers)

The WIC Program provides nutrition education and supplemental foods to pregnant women, lactating or postpartum women, and children under five years who are receiving ongoing medical care, meet Federal income guidelines, reside in the target area, and are determined by the health professional to be at nutritional risk. The Department of Health has administered this program since 10/86.

III. Outcomes/Objectives:

1) To continue providing WIC services to 4,362 women, 4,784 infants and 4,924 children for a total of 14,079 participants per month. 2) To augment outreach and counseling services by professional staff.

IV. Effects of Reduction or Termination of These Funds:

Health and nutritional services to high-risk clients will be curtailed.

V. Financial Information:

	Col. A Two Years Ago	Col. B Fest Year/Org.	Col. C Proposed	Col. D Change	Rec. Match	Approved by
Grant Amount	<u>1,072,856</u>	<u>1,334,558</u>	<u>1,384,872</u>	<u>+ 50,314</u>		
Personnel	<u>1,017,114</u>	<u>1,181,303</u>	<u>1,257,693</u>	<u>+ 76,390</u>		
Equipment	<u>29,074</u>	<u>5,000</u>	<u>50</u>	<u>- 4,950</u>		
Contract Svc.	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>		
Mat. & Supp.	<u>16,000</u>	<u>18,500</u>	<u>10,000</u>	<u>- 8,500</u>		
Facilities/Space	<u>1,000</u>	<u>1</u>	<u>1</u>	<u>-0-</u>		
Other	<u>2,000</u>	<u>29,500</u>	<u>15,681</u>	<u>- 13,819</u>		
Indirect Costs	<u>4,668</u>	<u>93,754</u>	<u>97,447</u>	<u>+ 3,693</u>		
Travel	<u>3,000</u>	<u>6,500</u>	<u>4,000</u>	<u>- 2,500</u>		
VI. Direct Programming (See column above)	<u>-0-</u>	<u>5,000</u>	<u>-0-</u>	<u>- 5,000</u>		

VII. Personnel

F/T CSC	<u>29</u>	<u>29</u>	<u>26</u>	<u>- 3.00</u>	
P/T CSC	<u>0</u>	<u>.73</u>	<u>1.1</u>	<u>- .37</u>	
Contractual					

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

None

Will grant funded employees be retained after this grant terminates? If so, how?

It is not foreseeable that this grant will terminate.

VIII. Contractual Services: Open Bid Sole Source (Check one)

Item 1i - File 147-92-3.1

Department: San Francisco Public Library

Item: Resolution authorizing the San Francisco Public Library to accept and expend \$85,000 in grant funds from the U.S. Department of Education Library Services and Construction Act (LSCA) for the purchase of foreign language materials for the fiscal year 1992-93.

Grant Amount: \$85,000

Grant Period: October 1, 1992 through September 30, 1993

Source of Funds: U.S. Department of Education

Project: Foreign Language Program -- Ethnic Focus Centers

Description: The Board of Supervisors has previously authorized the San Francisco Public Library to apply for up to \$85,000 in grant funds from the U.S. Department of Education to augment its foreign language collections (File 147-92-3). The proposed resolution would authorize the Public Library to accept and expend \$85,000 which has been approved by the U.S. Department of Education for this program.

The proposed grant funds would be used to provide Spanish, Chinese, Vietnamese, Japanese, Korean, and Southeast Asian core collections for the Library. The new collections would include reference works, fiction and non-fiction books, periodicals, and audio and video recordings in these languages, as well as software programs to enhance library access for non-English speaking residents of San Francisco.

Budget: The proposed grant funds would be expended for new acquisitions in the following languages:

Children's book (all languages)	\$12,000
Spanish	17,000
Vietnamese	13,000
Chinese	28,000
Japanese	4,000
Korean	3,000
Southeast Asian	5,000
Software (all languages)	<u>3,000</u>
Total	\$85,000

Required Match: None

**No. of Persons
Served:**

Increasing numbers of residents who use the Spanish, Chinese, and Southeast-Asian languages.

Indirect Costs:

None. The Library Commission reports that the U.S. Department of Education prohibits the inclusion of indirect costs under this grant.

Comments:

1. Since the U.S. Department of Education, the grantor, prohibits the inclusion of indirect costs, the proposed resolution should be amended in both the body and title to reflect that indirect costs are waived.

2. Although the Board of Supervisors previously authorized the Public Library to apply for "up to \$85,000" (File 147-92-3), Ms. Hope Hayes, Chief Librarian for the Main Library, reports that the Public Library was notified on October 5, 1992 that grant funding of \$85,000 has been awarded for Federal fiscal year 1992-93.

3. Ms. Hayes indicates that the items to be acquired using the grant funds have not yet been identified. The specific materials to be purchased will be determined through consultations among multi-cultural librarians at the Main Library and the branch libraries, according to Ms. Hayes.

Ms. Hayes states that the new materials will be organized around Ethnic Focus Centers, which will provide centralized locations for library materials in different languages. The Ethnic Focus Centers will be housed at the Main Library.

Ms. Hayes indicates that grant funds will be allocated by the U.S. Department of Education on a reimbursement basis after the Public Library's purchases are made.

4. According to Ms. Hayes, processing of the new materials would be performed as part of the Public Library's regular duties using existing budgeted funds. Ms. Hayes indicates that some of the purchased materials will include pre-printed card catalogue references, which will minimize the impact of processing the materials on the staff of the Public Library.

5. Ms. Hayes reports that the Public Library's existing collections in the foreign languages targeted under the grant are quite limited. She states that the grant funds will enable the Public Library to expand its foreign language collections in these languages by more than 200 percent.

6. Attached is a copy of the Grant Application Information Form as submitted by the Public Library.

7. A Disability Access Checklist for the Main Library is on file with the Clerk of the Board.

- Recommendation:**
1. Amend the body and title of the proposed resolution to waive indirect costs.
 2. Approve the proposed resolution, as amended.

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: Library

Contact Person: Elizabeth Hope Hayes Telephone: 557-4200

Project Title: Foreign Language Program - Ethnic Focus Centers

Grant Source: U.S. Department of Education, Library Services and Construction Act

Proposed New / Continuation) Grant Project Summary:

San Francisco Public Library Library System includes the Main Library, 19 neighborhood branches, seven reading centers, a library for the blind and print-handicapped and a bookmobile. Within the Main Library there are seven major subject departments, special services for the Deaf and Hearing-impaired and a literacy program, Project Read. Systemwide over 3.2 million items circulate annually. Special emphasis is placed on meeting the information needs of San Francisco's multi-lingual, multi-cultural, economically diverse communities.

The purpose of this grant is to provide Spanish, Chinese, Vietnamese and other Asian core collections of ready reference, software and popular library materials in various formats for adults and children at the Main Library. Funds will be used to create adult and children's Ethnic Focus Centers, which will enhance the existing non-English language collections, and will be tailored to the needs of the diverse ethnic populations of San Francisco. This grant responds to changing demographics in the Tenderloin, which according to the 1990 Census of Population has had a 93% increase in Asian residents. The Library circulated 450,000 foreign language items per year. This grant will supplement the Library's materials budget and enable purchase of thousands of indispensable items.

Amount of Grant Funding Applied for: \$85,000.00

Maximum Funding Amount Available: \$85,000.00

Required Matching Funds: none

Number of Positions Created and Funded: none

Amount to be Spent on Contractual Services: none

Will Contractual Services be put out to Bid? n.a.

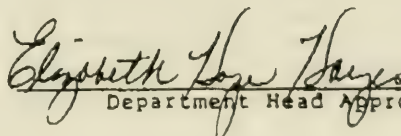
Term of Grant: Oct. 1, 1992 - Sept. 30, 1993

Date Department Notified of Available funds: August 1992

Application Due Date: March 9, 1992

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

Grants will be awarded to libraries that demonstrate effective management plans, high quality design, commitment to serving underrepresented groups, cost effectiveness, needs of service group. Funds are for purchase of materials for library collections, such materials to be in languages other than English.


Elizabeth Hope Hayes Acting City Librarian
Department Head Approval

Item 1j - File 153-92-4

Department: Department of Social Services

Item: Resolution authorizing the Department of Social Services to accept and expend the third year grant funds from the Department of Health and Human Services, Maternal and Child Health Bureau, in the amount of \$172,800 including the indirect cost of \$8,228 which is based on 5 percent of the total direct charges for Federal fiscal year 1992-93 for development of case management services to medically fragile and HIV-positive infants.

Grant Amount: \$172,800

Grant Period: October 1, 1992 through September 30, 1993

Source of Funds: U.S. Department of Health and Human Services

Project: Fragile Infant Special Care Program ("Baby Moms")

Description: Since 1987, the Department of Social Services (DSS) has operated the Fragile Infant Special Care Program, also known as "Baby Moms," which provides specialized foster care services to infants classified as medically fragile or who have tested positive for HIV. In December 1990, the Board of Supervisors authorized DSS to apply for a three-year grant (File 153-90-6) from the U.S. Department of Health and Human Services for a demonstration research project to develop a comprehensive case management system, a standardized assessment program, and preparation of written guidelines concerning the program for use by other social service agencies.

In the first two years of grant funding, DSS has developed a comprehensive data management system to monitor infants' medical status and developmental progress, and has matched these infants with a comparison group in order to evaluate the program's impacts.

The proposed resolution would authorize DSS to accept and expend grant funding for the third year of the three year grant program. The funds would be used to analyze and report research findings and prepare written documentation which would allow the program to be replicated by other agencies.

Services under this grant are provided through personal service contracts with independent contractors who manage the research activities.

Budget:

<u>Contractual Services</u>	<u>FTE</u>	<u>Amount</u>	
Project Director	.65	\$46,900	
Project Coordinator	1.00	39,521	
Developmental Specialist	1.00	45,150	
Physician	.15	11,813	
Program Analyst	<u>.25</u>	<u>13,125</u>	
Subtotal	3.05	\$156,509	
Travel		5,063	
Other		<u>3,000</u>	
Total Direct Costs			\$164,572
Indirect Costs (@ 5 percent of total direct costs)			<u>8,228</u>
Total Grant Amount			\$172,800

Required Match: \$168,000 is provided by DSS through in-kind contributions, consisting of staff, office space, and supplies in the Bureau of Family and Children's Services

No. of Persons Served: DSS reports that 120 infants are enrolled in the study.

Indirect Costs: Indirect costs are \$8,228, based on 5 percent of total direct costs of \$164,572

Comments:

1. Of the total grant amount of \$172,800, \$156,509 would be used for contractual services for researchers. Services of a medical doctor are provided through a sole-source contract with the University of California at San Francisco. Two contractors were selected through a Request for Qualifications: Monica Brady, the Project Coordinator, a WBE sole proprietor, and Dianne Fritz, a developmental specialist, who is also a WBE sole proprietor. The Project Director, Don Cohen, and the Program Analyst, Brice Cooper, neither of whom are MBE/WBE contractors, were awarded sole-source contracts because they conceived and prepared the grant proposal to HHS, according to DSS.

2. Mr. Walter Maciak of DSS reports that DSS is required to provide a local match of \$168,000. The DSS contribution consists of in-kind services as follows:

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Personnel</u>	<u>FTE</u>	<u>Amount</u>
Child Welfare Supervisor	.50	\$27,222
Child Welfare Worker	1.00	<u>96,824</u>
Subtotal	1.50	\$124,046
Fringe Benefits (@28 percent)		<u>34,733</u>
Total Personnel		\$158,779
<u>Operating Expenses</u>		
Office Space (200 sq.ft @ \$2/sq.ft./mos)	4,800	
Postage	506	
Telephone	2,000	
Photocopying	1,100	
Office Supplies	<u>815</u>	
Total Operating Expenses		<u>9,221</u>
Total DSS In-Kind Contribution		\$168,000

The proposed resolution does not reflect that the DSS in-kind contribution of \$168,000 represents a required match, and should be amended accordingly.

3. Mr. Maciak reports that services have already been performed under the proposed third-year grant. Therefore, the proposed resolution should be amended to authorize DSS to accept and expend the proposed grant funds retroactively.

4. The title of the proposed resolution does not reflect that the proposed resolution, in addition to authorizing DSS to accept and expend the proposed grant funds, would authorize the General Manager of DSS to sign agreements for services provided through contractors funded by this grant. Therefore, the title should be amended.

5. The Summary of Grant Request submitted by DSS is attached.

6. A Disability Access Checklist for San Francisco General Hospital, where services would be provided under the proposed grant, is on file with the Clerk of the Board.

- Recommendations:**
1. Amend the title and body of the proposed resolution to authorize this grant retroactively.
 2. Amend the title and body of the proposed resolution to reflect that the proposed grant includes a required match of \$168,000 from DSS in-kind contributions.

BOARD OF SUPERVISORS
BUDGET ANALYST

3. Amend the title of the proposed resolution to reflect that the proposed resolution would authorize the General Manager of DSS to sign agreements for services provided through contractors funded by this grant.
4. Approve the proposed resolution, as amended.

SOCIAL SERVICES COMMISSION - SUMMARY OF GRANT REQUEST

Grantor Bureau of Maternal & Child Health & Re-
 Grantor Contact Person Maxine Toense /sources Dev.
 Address 12300 Twinbrook Pkway, Suite 100A
Rockville, Maryland 20852
 Amount (Requested/Approved) \$172,800
 Term From 10/01/92 To 9/30/93

DSS Program Family & Children Services
 Program Contact Person Ann O'Rielly 557-50
 DSS Contract Manager Walter Maciak
 Telephone 557-5581

Source of Funds: Federal/State/other Federal

Board of Supervisors: Finance Committee: Date _____

I. Action:

Request to ~~apply for~~ (accept and expend) a ~~new~~ (continuation) (allocation) grant in the amount of
 \$ 172,800 for the period beginning 10/1/92 to 9/30/93
 to provide _____ services.

II. Purpose of grant: To develop a comprehensive data base and case management system to
demonstrate the effectiveness of the program, to write manual for national
distribution and replication.

III. Outcomes/Objectives: (including number of clients to be served)

1. Select the database management system and appropriate hardware. 2. Develop the
recording protocol for data collection. 3. Enhance efficient use of staff time.
4. Improve training curriculum. 5. Assess effectiveness of "Baby Moms" program's
care of infants.

IV. Effects of reduction/termination of these funds:

Will delay work by program staff to monitor and improve service delivery system
and conduct research efforts to demonstrate effectiveness of program.

V. Expenditures:

	Col. A (Last Fiscal Year)	Col. B (Current Year if Any)	Col. C (Proposed)	Col. D (Change)	Req. Match
Grant Amount		120,000	172,800		
Personnel Travel		4,000	5,063		
Equipment					
Contracts		115,000	156,509		
Mat. & Supplies					
Facilities/Space					
Other		1,000	3,000		
Indirect Costs			8,228		

VI. City Civil Service Personnel:

No. & Class _____

No. & Class _____

VII. Brief description of service to be purchased by contract:

This grant will fund services provided by 5 contractors. The goal is to develop
a system to capture data to improve service delivery systems and conduct research
effort to demonstrate program effectiveness.

VIII. Contractual Services: Open Bid

Sole Source

Item 2 - File 161-92-6

Department: Redevelopment Agency

Item: The proposed resolution would approve the Redevelopment Agency's lease of the land at Assessor's Block 3726, Lots 13 and 15, commonly known as 1028 Howard Street, to 1028 Howard Street Associates, a California Limited Partnership for 99 years for the purpose of developing a housing project for very low and low income households.

Description: The Redevelopment Agency is proposing to lease approximately 14,050 square feet at 1028 Howard Street to the 1028 Howard Street Associates, a partnership established by Catholic Charities of the Archdiocese of San Francisco. 1028 Howard Street Associates would pay \$1 per year or a total of \$99 in lease payments for a 99 year lease for the Howard Street property.

The property at 1028 Howard Street is located within the South of Market Earthquake Recovery Redevelopment Project Area established by the Board of Supervisors in 1990. The proposed housing project would fulfill one of the specific objectives of the South of Market Project Area which is to replace the community's supply of low- and moderate-income housing which was lost due to the earthquake. The property at 1028 Howard Street was purchased by the Redevelopment Agency from KSW Properties for \$1,090,000 using tax increment funds. The property was previously being used as a commercial parking lot and the Redevelopment Agency is currently leasing this property for the same use. Because tax increment funds were used to purchase this property, Board of Supervisors approval of the proposed ground lease is required.

The total cost of the proposed project including the \$1,090,000 purchase price of the land by the Redevelopment Agency is \$6,120,522. The source of funds includes the State Rental Housing Construction Program, the Federal Tax Credit Program, private financing, and sponsor equity from 1028 Howard Street Associates. The funds from each of these sources is as follows:

Federal Tax Credit Program	\$2,311,057
State Rental Housing Construction Program	1,998,565
Private Financing	595,900
1028 Howard Street Assoc. - Sponsor Equity	125,000
Land Purchase by Redevelopment Agency	<u>1,090,000</u>
Total Cost of Project	\$6,120,522

BOARD OF SUPERVISORS
BUDGET ANALYST

1028 Howard Street Associates would build a 30 unit affordable family housing rental project on the proposed site. The table below details the mix of unit size and the corresponding rent that would be paid:

<u>Apartment Size</u>	<u># of Units</u>	<u>Monthly Rental Rate*</u>	<u># of Units</u>	<u>Monthly Rental Rate**</u>
1-Bedroom	1	\$318	4	\$572
2-Bedroom	4	\$342	7	\$672
3-Bedroom	8	\$366	6	\$765
Totals	13		17	

* The use of State Rental Housing Construction Program funds requires that a percentage of units be rented at 30% of median income.

** The use of Federal Tax Credit Program funds requires that a percentage of units be rented at 60% of median income.

The total rental income for the 30 units would be \$16,196 per month or \$194,352 annually.

In addition to the apartment space, the project would also contain a community room and approximately 750 square feet of commercial space.

Comments:

1. Mr. Phillip Williams of the Redevelopment Agency states that 1028 Howard Street Associates, a partnership established by Catholic Charities of the Archdiocese of San Francisco, was one of three organizations responding to a Request for Proposals (RFP) to the 1028 Howard Street project. Mr. Williams states that Catholic Charities was picked as the developer because of their demonstrated capacity to develop this project, their success in developing several other affordable housing projects in the City, and support from within the community.

2. Mr. Williams adds that the proposed below-market lease of \$1 per year is required in order to make the project economically viable at the restricted rent levels mandated by the State and federal subsidy programs utilized by the project sponsor. The term of the lease is 99 years because the Redevelopment Agency desires to maintain the apartment affordability restrictions for as long a period as possible.

3. Mr. Williams further adds that the estimated annual rental income of \$16,196 per month or \$194,352 annually and the estimated annual commercial income of \$3,000 per month or \$36,000 per year (for total annual revenues of \$230,352 would be used to pay operating expenses, debt service on the private loan, and to repay the deferred loan from the State Rental Housing Construction Program.

4. According to Mr. Williams, the previous owner at 1028 Howard Street, KSW Properties, was paying approximately \$656 annually in property taxes for use of the property as a parking lot. At the reassessed property value of \$1,090,000, the annual property taxes would be \$12,535 (based on the Fiscal Year 1992-93 tax rate of \$1.15 per \$100). Because 1028 Howard Street Associates would be a non-profit housing development corporation, they would not pay any property taxes.

5. The proposed development groundlease would require 1028 Howard Street Associates to pay for all public improvements required for the site. This includes all site preparation activities; all utility services; and any resurfacing, rebuilding, or repairing of sidewalks or street pavement.

6. The proposed development groundlease specifies that 1028 Howard Street Associates will give priority consideration for the rental of commercial space to businesses and the rental of apartments to tenants whom have been displaced from the South of Market Redevelopment Project Area.

7. The proposed development groundlease commits the developer, 1028 Howard Street Associates, to attempt to meet certain affirmative action and equal opportunity obligations. These obligations include:

- The developer making a good faith effort to fill staff vacancies and vacancies in any retail businesses in accordance with the ethnic and gender composition of the City and give first consideration to employing residents of the City.
- The developer ensures equal employment opportunities for minority group and women participation in the construction work force. The goal is for 25.6 percent of all construction hours to be awarded to minorities and 6.9 percent of all construction hours to be awarded to women.

- The developer ensures that Minority and Women Business Enterprises are provided an equal opportunity to compete for all planning, design and construction contracts.

The developer is required to make frequent reports on their status in fulfilling these various goals and obligations.

Recommendation: Approval of the proposed groundlease with 1028 Howard Street Associates at \$1 per year for 99 years is a policy matter for the Board of Supervisors.

Item 3 - File 264-92-1

Item: Hearing to consider the implementation of an early retirement program for all employees not included in the provisions of Proposition A.

Description:

1. All City employees, with the exception of 2,000 to 3,000 temporary employees, receive retirement benefits. City employees currently participate in four retirement plans, with membership as follows:

<u>Plan</u>	<u>Approximate Membership</u>
Miscellaneous Plan	20,000
Police Plan	1,800
Fire Plan	1,400
PERS Plan	1,000

(PERS Plan members include various public protection personnel, such as Deputy Sheriffs, Probation Officers, Juvenile Hall Counselors, Airport Police, and Housing Authority Police)

Within these categories, there are two tiers of retirement benefits. Some employees who have worked for the City since prior to 1976 receive Tier One benefits. Tier One benefits are higher than Tier Two benefits, which are received by employees who have worked for the City since after 1976 as well as some employees who have worked for the City since prior to 1976. (When the City moved to lower benefits in 1976, employees were given an opportunity to trade their higher benefit plans for a lump sum cash amount. Employees who accepted this cash buyout now receive Tier Two benefits.)

2. In November, 1991, the San Francisco electorate approved a measure, Proposition A, to offer employees belonging to the Miscellaneous Plan who retire from February 1, 1992 to March 30, 1992 incentives to retire early. Specifically, employees who retired during the early retirement window are receiving retirement benefits as if they were three years older and had worked for the City three additional years. 1,336 City employees accepted the Proposition A early retirement offer.

3. Proposition A was intended, in part, as a cost-saving effort. Proposition A required that at least 500, or 50 percent, of the vacated non-mandated City positions, whichever was larger be abolished. A net of 465 positions were abolished (500 positions were originally abolished, but 35 were restored during the budget process). The estimated FY 1992-93 net savings from the abolition of these 465 positions is estimated to be \$12 million, based on the total savings from the abolished positions, at \$22.8 million, less the cost for immediately backfilling critical positions, at \$3 million, less the cost of increased benefits for 1,336 City employees, at \$4.5 million, less the cost of administering the program, at \$3.3 million.

BOARD OF SUPERVISORS
BUDGET ANALYST

4. Members of the Police Plan, the Fire Plan and the PERS Plan were not eligible to receive early retirement benefits under Proposition A. The proposed hearing would consider the implementation of an early retirement plan for those employees.

5. According to Mr. Kieran Murphy of the Retirement System, the PERS Plan, which is administered by the State, restricts the provision of early retirement benefits. As noted above, City employees belonging to the PERS Plan include non-Fire and Police Department public protection personnel, such as Sheriffs Deputies, Airport Police, and Probation Officers. Under the current regulations governing the PERS Plan, participants in the PERS Plan may be offered credit for a maximum of two additional years of service and no additional years of age as an incentive to retire early, Mr. Murphy reports. Such an incentive may only be offered if the City certifies that a "mandatory transfer, layoff, or demotion is imminent" and other conditions are met. Since there is currently no specific plan to transfer, lay off or demote PERS Plan members if an early retirement program is not in place, it would be difficult to certify that all the conditions necessary for an early retirement offer are in place, Mr. Murphy reports.

6. Alternatively, according to Mr. Murphy, the Board of Supervisors and the Mayor could urge the State Legislature to modify its regulations regarding PERS to allow San Francisco PERS members to receive an early retirement offer that is different from the currently authorized PERS early retirement offer. Whether or not such an urging would result in a modification of PERS regulations cannot be determined at this time.

7. Mr. Murphy provided estimates from April, 1992, regarding a combined Police and Fire Plan early retirement program that would provide credit for three additional years of age and service, two years of additional age and service, and one additional year of age and service, as follows:

	<u>Number Eligible</u>	<u>Number Estimated to Accept</u>	<u>Total Present Value Cost of Add'l Benefits*</u>	<u>Estimated First Year Costs**</u>
3+3***	736	300	\$20,000,000	\$1,200,000
2+2	602	193	8,800,000	530,000
1+1	490	87	2,200,000	130,000

* This net estimated cost takes into account any savings that might accrue from a reduction in the City's unfunded liability resulting from the replacement of Tier One with Tier Two employees.

** The total present value cost of additional benefits for each proposed program would be paid with interest over the estimated 20 year life of the retirees.

*** Three added years of age and service would be the same early retirement benefit as was provided to miscellaneous employees in 1992.

BOARD OF SUPERVISORS
BUDGET ANALYST

8. The 300 employees who would be anticipated to accept a "3+3" early retirement offer represent a larger portion of the Police and Fire Plan total membership than the portion of employees from the Miscellaneous Plan who finally accepted the early retirement offer. According to Mr. Murphy, this is due to the fact that a larger portion of Police and Fire Department personnel would attain the maximum allowable pension benefits, at 75 percent of final salary, than the portion of miscellaneous employees who attained the maximum allowable pension benefits under the Proposition A early retirement program.

9. However, the savings from offering early retirement to employees of the Police, Fire and Sheriff's Department is likely to be lower than it was for Proposition A, since the positions abolished must be non-mandated, and the Police, Fire and Sheriff's departments perform mandated functions. The number of positions that could be eliminated from these departments, if any, would be specifically estimated at such a time as a specific early retirement program for Police, Fire and PERS Plans were proposed.

10. According to Acting Chief Thomas Murphy of the Police Department, approximately two-thirds of the Police Department's command structure would be eligible for a "3+3" early retirement program. If a substantial portion of the Police Department's command structure retired and could not be replaced, this could impede the Department's ability to carry out its functions. Also, if the vacated positions were eliminated, promotion and hiring opportunities for minorities and women would be reduced. The Police Department is currently under a Consent Decree to hire women and minorities. Any reduction in sworn personnel would reduce police protection services to the public.

11. According to Chief Joseph Medina of the Fire Department, all positions that would be vacated through an early retirement program would be required to be filled, because the Fire Department is under a seven-year Consent Decree to hire 500 employees. Chief Medina estimates that 90 percent of upper management would be eligible for an early retirement program. As with the Police Department, a significant, sudden reduction of upper management would impede the Department's ability to carry out its functions. In addition, Mr. Ray Connors of the Fire Department advises that the Fire Department is under a Consent Decree to provide 294 employees on duty each day, so that any salary savings resulting from vacant positions would be offset by increased overtime costs.

12. If vacated positions in the Police and Fire Departments were not abolished, the large number of open positions would create promotional and hiring opportunities for women and minorities.

13. Proposition A required that vacated positions be abolished for only one year. Any newly proposed early retirement package intended as a cost saving measure through abolishing vacated positions could guarantee longer-term savings by requiring that positions be eliminated for more than one year. According to PERS Plan regulations, any early retirement program must be created with the intent to permanently abolish vacated positions.

BOARD OF SUPERVISORS
BUDGET ANALYST

14. The Retirement System reports that one reason the costs for administering Proposition A were high was due to the short three month period between approval of Proposition A and the start of the Early Retirement Program, from November 2, 1991 to February 1, 1992. The Proposition A Early Retirement Program was largely administered by an outside contractor, Towers, Perrin, Forster and Crosby (TPF&C). If a longer period were given for preparation after a newly proposed early retirement program was approved and prior to the beginning of such a program, a larger portion of the administrative work could be performed by Retirement System staff.

15. In addition, costs for administering a new program would be lower, since a portion of the contractor costs included the creation of a computer program tailored to calculate benefits. Since this program is now in place, any future contracts should not include this cost.

16. Legislation approved by the Board of Supervisors after the contract for administration of Proposition A was in place, based on a finding of the Budget Analyst, requires that contracts include specified levels of service and cost limits. Therefore, any contractual costs should be more tightly controlled.

17. In summary, any newly implemented early retirement program for public protection personnel would likely result in costs and savings that differ from the recently completed 1992 Early Retirement Program, as follows:

- The savings that would accrue from an early retirement program for employees who were not eligible for the recent 1992 Early Retirement Program are likely to be less, since public protection positions are more likely to be deemed mandated and therefore could not be eliminated from the City's budget. The Fire Department reports that no Fire Department positions could be eliminated until after 1995, because the Fire Department is under a seven year Consent Decree to hire 500 employees.
- Such savings might be increased if any newly proposed early retirement program included provisions for abolishing positions over a number of years, instead of for a single year only.
- Costs for administering a new early retirement program would likely be lower, since a computer system for calculating benefits has been established, the Retirement System has recent experience in implementing an early retirement program, and any contractor would be required to adhere to cost limits and provide guaranteed levels of service.
- Costs for administering a new early retirement program could be further decreased if adequate preparation time between approval of the program and the start of the early retirement window were allowed, thus providing the Retirement System with more time to implement a large portion of the program in-house.

18. As an alternative to offering a "3+3" early retirement program, other early retirement programs might be considered.

BOARD OF SUPERVISORS
BUDGET ANALYST

19. The Budget Analyst will provide specific cost and savings estimates when a specific proposal is introduced to offer early retirement benefits to the employees who were not included in the provisions of Proposition A. An early retirement program for the Police and Fire Departments would have the non-economic benefit to the City of providing hiring opportunities for minorities and women. However, based on our preliminary analysis, the Budget Analyst believes that such a program would result in high costs to the City and little savings.

Item 4 - File 42-92-25

Note: This item was continued from the October 7, 1992 Finance Committee Meeting.

Item: Resolution waiving the requirement that the sponsor of the Annual Halloween street closing in the Castro Street area provide insurance and waiving all fees except for the street closure permit filing fee and the loudspeaker permit filing fee.

Description: According to Section 2.70-3 of the Administrative Code, sponsors of events attended by more than 1,000 persons are required to provide an insurance policy naming the City as an additional insured, in an amount of \$1 million or more. This insurance requirement may be waived by the Board of Supervisors if the event constitutes the exercise of rights protected under the First Amendment, and the event sponsor submits a sworn statement of indigency.

According to Section 2.70-6(f) of the Administrative Code, the Interdepartmental Staff Committee on Traffic and Transportation (ISCOTT) determines the fees to be paid by events sponsors (aside from the standard Street Closing Permit Filing Fee, at \$80, which is paid by all events sponsors), based on the actual costs to the City of the temporary street closing, pursuant to the following schedule:

Fire Department fee:	\$129.00
Public Health Application Fee:	50.00
Public Health Permit Fee	25.00
Public Health Fee Per Booth Selling Food	10.00
Municipal Railway Fee:	4.42
(per electrically powered vehicle hour)	
Police Department:	up to \$2,500.00
(based on 40 percent of the projected Police Department costs)	

Any fees paid by events sponsors are to be deposited to the City's General Fund and credited to the departments which incurred the costs. The Administrative Code includes a provision for waiving only the Police Department fees, not for waiving any other fees. However, according to Mr. Ted Lakey of the City Attorney's Office, since these fees are imposed by the Board of Supervisors, the Board of Supervisors has the inherent power to waive such fees.

The Sisters of Perpetual Indulgence, a non-profit organization, organizes the Annual Halloween street closing in the Castro Street area. According to the proposed resolution, the street closing is intended to further educational and First Amendment objectives. The Sisters of Perpetual Indulgence has submitted a sworn statement that the organization is indigent and does not have the resources to pay for the insurance and fees required by the City to conduct this event, according to the proposed resolution. Therefore, the proposed resolution would waive the requirements for insurance and any fees that would be required by the City, except fees for the Street Closure Permit fee, at \$80, and the loudspeaker permit filing fee, at \$30, pursuant to Administrative Code Section 2.71.

Comments:

1. The cost to the City of waiving fees for the Annual Halloween street closing are estimated to be \$2,704 plus \$4.42 per Municipal Railway vehicle hour.

2. According to Mr. Keith Grand, the City's Risk Manager, the costs of waiving the insurance requirement are potentially very high. Mr. Grand advises that California law specifies joint and several liability. Under joint and several liability, each party that is named as co-defendant in any suit is liable for up to the entire amount of awarded damages. Thus, if a severe injury or substantial damage to property is sustained by a spectator, participant or adjacent property owner of the Castro Street Halloween event, and the City as well as the sponsor of the event is named as a co-defendant in a lawsuit, the City would most likely be required to pay the full amount of the damages, since the sponsor of the event, the Sisters of Perpetual Indulgence, is indigent. The amount owed by the City would not be contingent upon the City's relative negligence, but rather would be contingent upon the City's ability to pay relative to the other co-defendants, Mr. Grand advises. Therefore, the cost of waiving insurance for the Halloween event is potentially very high.

3. Mr. Grand advises that the Risk Manager's Office has negotiated an insurance package for a number of major events conducted in San Francisco. Through this insurance package, organizations can purchase insurance at less than the market rate. Ms. Kary Schulman of the Grants for the Arts Program advises that all of the participants in the package receive funding from Grants for the Arts. In addition, each organization that participates in an event, such as vendors and performers, are encouraged to be separately insured in order for the event's primary sponsor to participate in the insurance package.

BOARD OF SUPERVISORS
BUDGET ANALYST

4. Major events sponsored by organizations that participate in the insurance package include the Saint Patrick's Day Parade, Carnival, Minsok, 24th Street Festival, the Columbus Day Parade, the Veteran's Day Parade, Cinco de Mayo, the Martin Luther King Celebration, and June Teenth. The Gay/Lesbian Freedom Day Parade and the Chinese New Year celebration were offered participation, but chose to provide their own insurance. The premiums range from less than \$1,000 for the smaller activities that do not include a parade to over \$6,000 for the major outdoor celebrations.

5. Mr. Grand advises that the City may wish to consider assisting the Sisters of Perpetual Indulgence to support the cost of insurance for the Halloween event, rather than waiving the insurance requirement. Ms. Schulman advises that the Grants for the Arts would not be an appropriate source of funds to pay such insurance costs, since the Halloween event is a fundraising event, and the Grants for Arts, as a City department, is prohibited from financing fundraising events. Ms. Schulman advises that supporting the insurance costs for one organization may also set a precedent for a variety of organizations to request support for such costs.

6. The Finance Committee cannot forward this legislation to the Board of Supervisors until at least October 19, 1992, and the Annual Halloween street closing occurs on Saturday, October 31, 1992. Therefore, the Sisters of Perpetual Indulgence would most likely not have adequate time to locate insurance or raise adequate funds to pay for insurance. However, the Board of Supervisors may wish to consider waiving the insurance requirement for the 1992 Halloween event, with the caveat that the event sponsor will be required to provide insurance in ensuing years. The event sponsor would therefore have one year to fundraise for insurance costs, for example, from Castro Street vendors who may also be subject to lawsuits and who would directly benefit from the provision of insurance. Alternatively, funds for insurance in 1993 could be set aside from any monies raised during the 1992 Halloween event.

7. The Board of Supervisors has waived insurance and other fee requirements for the annual Halloween street closing in the Castro Street area every year since the event sponsors have applied for an official street closing, according to the Department of Parking and Traffic.

8. According to Administrative Code Section 2.71, sponsors of street fairs are required to pay the fees noted above, and sponsors of athletic events which result in temporary street closures are required to entirely reimburse the City for costs associated with such street closures. Sgt. Tony Novello of the Police Department reports that a number of events that result in temporary street closings, such as parades and celebrations, cannot be classified as street fairs or athletic events. For these events, no fees or costs are recovered by the City except for the street closure permit filing fee. There were 172 public events in 1991-92 for which street closure applications were filed.

9. The Department of Parking and Traffic chairs ISCOTT, which is the organization responsible for determining the amount of fees owed for an individual event. According to Mr. Johnson, when a street application is approved, ISCOTT notifies the event sponsor in writing of the amount owed to each department pursuant to the Administrative Code. Each individual department is responsible to collect such fees. If the event sponsor does not pay the fees, and if the departments notify ISCOTT to that effect, the event sponsor cannot receive permit approval in ensuing years until all back fees are paid.

10. For street fairs, but not for athletic events, the Administrative Code currently authorizes fees for:

- the Department of Public Health, including permit, filing, and food booth fees;
- the Fire Department; and
- the Municipal Railway.

The Administrative Code further treats street fairs and athletic events differently as follows:

- For athletic events, full reimbursement for the Department of Public Works is authorized, but for street fairs, no reimbursement for Department of Public Works costs is authorized.
- For athletic events, full reimbursement for Police Department costs is authorized, but for street fairs, only 40 percent of Police Department costs are reimbursable, up to \$2,500.

Finally, the Department of Parking and Traffic is not authorized to receive any cost reimbursement, aside from the \$80 Street Closing Permit Filing fee.

BOARD OF SUPERVISORS
BUDGET ANALYST

11. Sgt. Novello advises that the Police Department incurred the following costs for enforcement for Halloween festivities in 1991:

Exotic Erotic Ball (October 26, 1991)	\$10,168
City-wide Halloween Celebration	2,313
Polk Street	7,499
Castro Street	<u>67,881</u>
Total	\$87,861

Lt. Novello advises that none of these events is classified as a street fair or an athletic event, which are the only two types of events for which Police costs may be recovered. Therefore, under the current fee schedule, the maximum amount of Police costs that could be recovered from the total \$87,861 incurred would be \$2,500, or 40 percent of Police costs for the Castro Street celebration, with a maximum of \$2,500.

12. Additional revenues could be generated by the City if: (1) Fire Department, Public Health, and Municipal Railway fees were collected for athletic events; (2) full Police Department and Department of Public Works costs were collected for street fairs; and (3) reimbursements were collected for the traffic control and other costs of the Department of Parking and Traffic. In addition, the Fire Department, Public Health, and Municipal Railway fees as collected for street fairs may not represent full cost reimbursement, and additional revenue might be generated if the fee schedules were adjusted to compensate departments entirely for their costs for street closings.

13. In June, 1992, legislation was introduced which would have permitted 100 percent cost recovery for all street closures for the Department of Parking and Traffic and the Police Department (File 97-92-30). Such cost recoveries were anticipated to generate \$300,000 in revenue for the Police Department alone. This legislation was continued and has not been recalendared.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 5 - File 121-92-10

1. This item is a hearing to consider the Taxi Cab License Fees enacted by the Board of Supervisors in October 1991 (File 121-91-9; Ordinance 383-91).

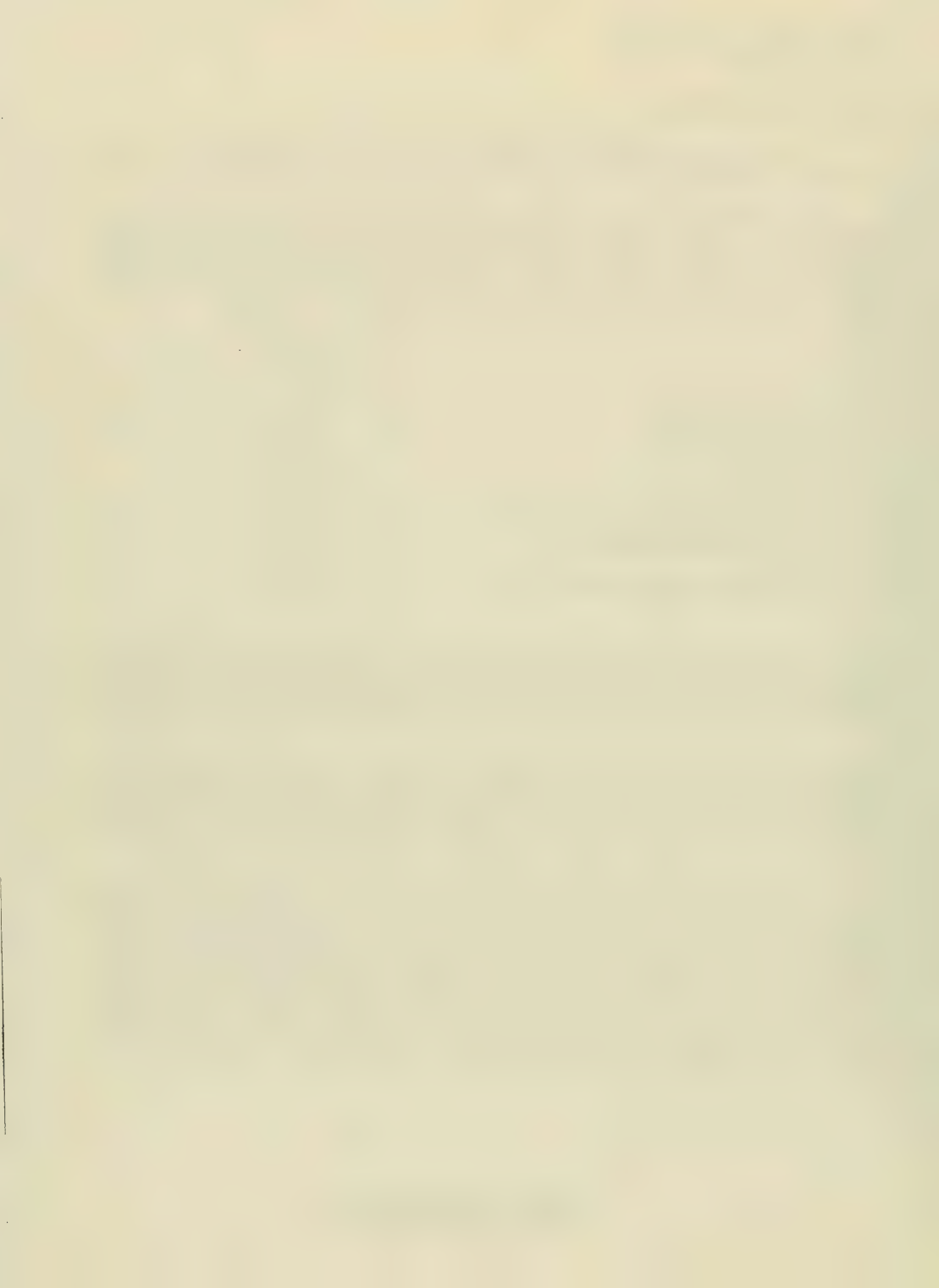
2. In October, 1991 the Board of Supervisors approved an ordinance to amend Part II Chapter VIII of the San Francisco Municipal Code (Police Code) by adding a new section, Section 2.27.1 that requires the payment of license fees to the Tax Collector for Motor Vehicle for Hire permits issued by the Police Department. The license fees included in Section 2.27.1 are as follows:

	<u>License Fee</u>
Interurban Bus	\$240
Jitney Bus Driver	50
Jitney Bus Owner	240
Limousine	240
Motorized Rickshaw	240
Driver Public Passenger Vehicle	25
Driver Sightseeing Bus	240
Taxicab	300
Taxicab Radio Dispatch Services	300

3. Prior to enactment of Section 2.27.1, the License Fee for a Taxicab was \$96. Section 2.27.1 raised that fee by \$204 from \$96 to \$300 (a 213 percent increase) but allowed a credit of \$180 for taxi operators that agree to participate in the City's Paratransit Program to provide taxi services to handicapped and elderly persons.

4. The Tax Collector reports that there were 811 taxicabs licensed in San Francisco in 1991-92 of which 519 taxicabs participated in the City's Paratransit Program and 292 did not participate. The Tax Collector received a total of \$298,370 for all Section 2.27.1 license fees in 1991-92, including \$62,280 for taxicabs participating in the City's Paratransit Program and \$87,600 for other taxicabs.

5. According to Ms. Annette Williams of the City's Paratransit Program, the City paid a total of approximately \$7.2 million, including approximately \$2.7 million from the General Fund, for paratransit service rides provided by taxicabs, wheelchair lift vans and group vans in 1991-92. Approximately 7,000 clients per month of the City's Paratransit Program received rides in taxicabs. The taxicab rides had a total value of approximately \$3.15 million in 1991-92. The taxicab companies were paid approximately \$2.9 million after deduction of the eight percent discount (approximately \$250,000) given by the taxicab companies on rides to clients of the City's Paratransit Program.



Item 6 - File 65-92-13

Note: This item was continued from the Finance Committee calendar of October 7, 1992. The Finance Committee has specifically requested an explanation of the reasons for the Recreation and Park Commission's recommendation to approve a ten year lease (five years and a five year renewal option) and additional information as to why the Commission has made the policy decision to award a lease at less than market value. (The Director of Property estimates that this proposed lease is below market by approximately \$25,000 annually, as discussed in this report.)

According to Mr. Phil Arnold, Deputy General Manager of Recreation and Park, the ten year lease agreement was recommended at the request of the proposed lessee so that Theatre Bay Area (TBA) would be better able to attract grant funds and support from other sources to make certain leasehold improvements to the premises. A shorter term lease would inhibit their ability to raise such funds, according to TBA.

In response to the second question by the Committee, Mr. Arnold reiterated the Commission's policy decision to lease the premises at below market rent due to the long-standing opposition to Recreation and Park's proposals to operate or lease to commercial, for-profit enterprises by the Union Square Merchant's Association.

Department:	Recreation and Park Department
Item:	The proposed ordinance would approve a lease between the Recreation and Park Department with Theatre Bay Area (TBA) to operate a discount ticket booth selling theatre tickets at Union Square Garage.
Location:	The ticket booth is located in the unused Stockton Street entrance to the Union Square Garage.
No. of Sq. Ft. and Rent per Month:	The proposed monthly rent is \$105 for 188 square feet or approximately \$0.56 per square foot or \$6.72 per year.
Annual Rent:	\$1,260 plus five percent of net revenues over \$160,000.
Term of Lease:	Five years with one five year option.
Description:	The ticket booth at Union Square has been operated since 1982 by Performing Arts Services, which has done business under the name of STBS. STBS has had no lease with the Recreation and Park Department but has operated under a month to month revocable permit. STBS is paying an annual rental of \$1,250 per year or approximately \$104 per month.

The services offered by STBS and to be offered by TBA include selling day-of-the-performance theater tickets at half price to the public on a first come, first served basis; selling advance tickets for small non-profit theater companies (with a budget under \$500,000); and selling full priced tickets as a BASS ticket outlet. STBS provides a service to both the theater community by selling otherwise unsold tickets and to the public by selling tickets at half price.

According to the Recreation and Park Department, STBS has always been a marginal operation and filed for bankruptcy on January 24, 1991. While STBS is still currently operating the ticket booth, both STBS and the Recreation and Park Department have been seeking another operator for the ticket booth. Because the Recreation and Park Department has not been able to rent space in Union Square to for-profit operators (see Comment 2 below), a non-profit operator for the ticket booth was sought. Because STBS had previously initiated discussions with TBA and because the Recreation and Park Department determined that TBA was a reputable organization, the Recreation and Park Department has proposed that the Union Square space occupied by STBS be leased to TBA.

TBA was founded in 1975 by a group of theater owners interested in sharing information and resources and is the largest theater service organization in North America. The proposed lease represents the first time TBA has attempted to operate a ticket booth operation.

In addition to the services noted above, TBA would provide other benefits to the Recreation and Park Department. TBA would provide discount memberships to 50 individual members of the Recreation and Park Department's Young People's Teen Musical Theater as well giving free membership to the Theater as an organization. Additionally, TBA has agreed to stock, sell, and distribute information and tickets to Recreation and Park Department attractions or activities at no cost.

Comments:

1. TBA would pay \$1,260 in annual rent which is \$10 higher than the annual rent of \$1,250 that STBS is currently paying. According to Ms. Robin Burgstahler of the Recreation and Park Department, the \$160,000 base level revenues, above which TBA would pay five percent of their net revenues, represent the maximum annual revenues that STBS was able to achieve. Ms. Burgstahler adds that the Recreation and Park Department is hopeful that TBA will be able to manage the ticket sale concession in a more successful manner and that revenues will increase and result in the City receiving

BOARD OF SUPERVISORS
BUDGET ANALYST

higher rent for the property (since the City would receive five percent of net revenues). Additionally, the five year lease option, if exercised, would provide for higher negotiated payments of between three and ten percent of gross revenues.

2. Ms. Burgstahler reports that the Recreation and Park Department has previously sought to seek commercial tenants who would pay market rates for another space at Union Square but withdrew its proposal because of strong opposition from downtown merchants.

3. Estimates prepared by the Real Estate Department for the Recreation and Park Department indicate that market rate rental rates for Union Square would be \$7.50 per square foot per month (or \$90 per square foot per year) plus six percent of gross revenues. Based on an estimate of \$160,000 in annual gross revenues, the annual payment to the City would be \$26,520 (\$16,920 in rental payments and \$9,600 based on gross revenues). This is \$25,260 more than the \$1,260 proposed lease with TBA.

Recommendation: Because the proposed lease with TBA represents less than the fair market value for the Recreation and Park Department space at Union Square, approval of the proposed lease is a policy matter for the Board of Supervisors.

Item 7 - File 51-92-2

Note: This item was continued from the Finance Committee meeting on October 7, 1992.

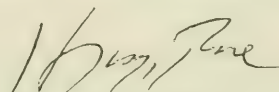
The proposed item transmits the claims of various City employees for reimbursement for personal property damaged and/or stolen in the line of duty.

Section 10.25-1 of the San Francisco Administrative Code authorizes the Controller to provide reimbursement to City employees to recover part or all of the costs of replacing or repairing equipment or property which has been damaged or destroyed in the line of duty without the fault of the City employees. The Controller recommends reimbursement after reviewing the claim submitted to the Controller, and after reviewing the Department Head's certification to the Controller that the damage occurred in the line of duty and that the amount certified for payment is fair and reasonable.

Comments

1. The proposed eleven employee claims are for the period April, May and June, 1992.

2. As of the writing of this report Mr. John Madden of the Controller's Office advises that the Department has not completed it's report on the recommended reimbursements for the eleven employee claims. Mr. Madden advises that the report will be ready for presentation at the Finance Committee Meeting on October 14, 1992.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Jean Mariani
Barbara Kolesar
Ted Lakey

SF
510.25
#2
10/21/92
C.2

CALENDAR - Actions Taken

DOCUMENTS DEPT.

OCT 26 1992

**MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO**

SAN FRANCISCO
PUBLIC LIBRARY

WEDNESDAY, OCTOBER 21, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

ABSENT: SUPERVISOR MIGDEN - ITEMS 3, 4 AND 6

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Finance Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

- (a) File 94-92-10. [Grant - Federal Funds] Resolution authorizing the Public Utilities Commission/Bureau of Energy Conservation to apply for, accept and expend funds of \$50,000 from the U.S. Department of Energy and the Urban Consortium for energy management activities; ratification of action previously taken. (Public Utilities Commission)

ACTION: Amended on page 1, line 2, after "funds", by adding "in the amount of \$50,000, which includes indirect costs of \$15,100 based on 50 percent of personnel costs plus 2 percent of operating expenses". Recommended as amended. New title: "Authorizing the Public Utilities Commission/Bureau of Energy Conservation to apply for, accept and expend funds in the amount of \$50,000, which includes indirect costs of \$15,100 based on 50 percent of personnel costs plus 2 percent of operating expenses, from the U.S. Department of Energy and the Urban Consortium for energy management activities; ratification of action previously taken."

- (b) File 146-92-2.2. [Release of Funds] Requesting release of reserved funds, Department of Public Health, in the amount of \$9,500, for the CHIRN Project Grant, (Alan Watahara, PhD, consultant). (Department of Public Health)

ACTION: Release of \$9,500 recommended. Filed.

- (c) File 133-92-2.1. [Release of Funds] Requesting release of reserved funds, Chief Administrative Officer/Solid Waste Management Program, in an amount totalling \$15,000, for used oil recycling grant, contractors Grand Auto \$6,000 and S.F. Community Recyclers \$4,000; and Clean Water Action \$5,000 to provide non-toxic alternatives displays at street fairs. (Clean Water Action) (CAO/Solid Waste Management Program)

ACTION: Release of \$15,000 recommended. Filed.

- (d) File 172-92-14. [Agreement - Federal Transit Administration] Resolution authorizing the Public Utilities Commission to execute a full funding grant agreement with the Federal Transit Administration for the Municipal Railway Metro Turnback Project. (Public Utilities Commission)

ACTION: Recommended.

REGULAR CALENDAR

2. File 188-92-1. Hearing to consider the fiscal impact of the 1987 contracts with Pacific Gas and Electric and the Modesto and Turlock Irrigation Districts for the purchase and sale of Hetch Hetchy water. (Supervisor Migden)
(Cont'd from 10/7/92)

ACTION: Hearing held. Continued to November 4, 1992, meeting.

3. File 115-92-12. [Illegal Unit Amnesty] Ordinance amending Part II, Chapter II of the San Francisco Municipal Code (City Planning) by adding Section 207.3 to establish a 24-month amnesty period within which one dwelling unit in addition to those permitted in any RH-2, RH-3, RM, RC, NC, C or mixed use zoning district (which unit was constructed prior to January 1, 1992 without benefit of permit) may be legalized, by amending Section 161 to exempt legalized units from the parking requirements, and by adding Section 369 to impose a registration penalty; amending Article 37 of the San Francisco Administrative Code (Residential Rent Stabilization and Arbitration Ordinance) by amending Section 37.2 to make all legalized units subject to Rent Board jurisdiction; amending Part II, Chapter XII of the San Francisco Municipal Code (Housing Code) by amending Section 503 to provide that ceiling heights for legalized units are only required to meet the minimum requirements mandated by State Law; amending Part II, Chapter I of the San Francisco Municipal Code (Building Code) by adding Section 109 to allow for exemptions from certain code requirements, amending Section 202 to provide that if a density violation is discovered after the expiration of the amnesty period the property owner shall be liable for the full costs incurred by the City in detecting and abating the violation, and amending Section 332.3 to exempt units legalized during the amnesty period from payment of the work without permit investigation fee; adopting findings pursuant to Planning Code Section 101.1. (Supervisor Hallinan)

ACTION: Hearing held. Continued to the Call of the Chair.

4. File 185-92-4. [Children's Services Plan] Resolution urging the Mayor to utilize the 1992/93 Children's Services Plan ("CSP") as the foundation for the development of the 1993/94 CSP and to continue funding, during the next fiscal year, for those community based organizations selected to provide services identified in the 1992/93 CSP. (Supervisor Achtenberg)

ACTION: Recommended.

5. File 146-92-52.1. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, AIDS Office, to accept and expend a continuation grant of \$2,102,567, which includes in indirect costs of \$241,709 based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding AIDS Surveillance Project; companion measure to File 146-92-52.1. (Department of Public Health)
(Cont'd from 10/14/92)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Authorizing the Department of Public Health, AIDS Office, to accept and expend a continuation grant of \$2,102,567, which includes in indirect costs of \$241,709 based on twenty percent of personnel costs, from the Department of Health and Human Services, Centers for Disease Control, to continue funding AIDS Surveillance Project; placing \$11,707 on reserve."

6. File 97-92-59. [Public Health Contracts] Ordinance amending Administrative Code by adding Section 19A.31 to permit the Department of Public Health to enter into indemnification agreements with the California Family Planning Council enabling the Department of Public Health to participate in family planning services. (Department of Public Health)

ACTION: Amended. (See file for details.) New title: "Amending Administrative Code by adding Section 19A.31 to permit the Department of Public Health to enter into indemnification agreements with the California Family Planning Council enabling the Department of Public Health to participate in family planning services; effective retroactive to October 1, 1992."

7. File 51-92-2. Transmitting claims of employees, various departments, for reimbursement for personal property damaged and/or stolen in the line of duty. (Various)
(Cont'd from 10/14/92)

April, May, June 1992

ACTION: Hearing held. Resolution prepared in and reported out of Committee entitled: "Authorizing reimbursement for costs of personal property of City and County employees damaged or stolen in line of duty."
Recommended.

8. File 47-92-6.1. [Garage Lease Documents] Ordinance approving and adopting St. Mary's Square garage legal documents and authorization for management agreement. (Real Estate Department)

ACTION: Recommended.

9. File 127-92-9. [Board of Permit Appeals Fees] Ordinance amending Part III of the Municipal Code, by amending Section 8 thereof, to increase specified Board of Permit Appeals filing fees. (Board of Permit Appeals)

ACTION: Recommended.

10. File 156-92-4. [Federal Funding] Resolution approving a 1992-93 Expenditure Plan for refugee employment and training funds and authorizing the President of the Private Industry Council of San Francisco, Inc., to sign, enter into, and execute State contract. (Private Industry Council)

ACTION: Amended. (See file for details.) Recommended as amended. New title: "Approving a 1992-93 Expenditure Plan for refugee employment and training funds; authorizing, retroactively, the President of the Private Industry Council of San Francisco, Inc., to sign, enter into, and execute State contract; and authorizing the Private Industry Council to accept and expend refugee employment and training funds in the amount of \$852,781 from the California Department of Social Services."

0.25
7
21/92
CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

October 19, 1992

TO: Finance Committee
FROM: Budget Analyst *Recommendation*
SUBJECT: *11/11* October 21, 1992 Finance Committee Meeting

DOCUMENTS DEPT.

OCT 20 1992

SAN FRANCISCO
PUBLIC LIBRARY

Item 1a - File 94-92-10

Department: Public Utilities Commission (PUC)
Bureau of Energy Conservation

Item: Resolution authorizing the Public Utilities Commission, Bureau of Energy Conservation to apply for, accept and expend Federal grant funds for energy management activities and ratification of action previously taken.

Amount: \$50,000

Source of Grant: U.S. Department of Energy and the Urban Consortium for Technology Initiatives.

Grant Period: November 1, 1992 through December 31, 1993

Grant Program: Intervention Strategies for Energy Efficient Buildings

Description: The Urban Consortium for Technology Initiatives is composed of the 45 largest cities and urban counties by population in the United States. The Consortium provides a forum to (1) define urban problems common to its respective member governments and (2) develop, apply and transfer technologies and innovative management techniques to address those problems. The Consortium's work is carried out through various task forces, one of which is the Energy

Task Force. The PUC Bureau of Energy Conservation is the City's representative to this Task Force. The members of this Task Force design annual work programs for applied research and technology to improve the mix and efficiency of energy use in both local government operations and the community as a whole. The programs are funded by the U. S. Department of Energy through an annual grant made available to the Task Force.

The proposed \$50,000 grant would be used to support existing Bureau of Energy Conservation municipal energy retrofit work through the development of intervention strategies. These strategies will influence municipal policy makers, designers, building operators and other decision makers to construct and maintain buildings to be more energy efficient.

A range of different types of intervention is required at the different stages of a building's life time including 1) administrative or policy change to provide for the additional incremental costs of energy efficient design and construction, 2) specialized technical advice and support for building architects and design engineers, and 3) training on energy efficient equipment operation for facility maintenance staff. Only through such a program can energy efficiency savings be realized that may then be used to provide financial support to other public services.

Project Budget:

Personnel

Project Manager (approximately 0.6 FTE)	\$24,000	
Fringe Benefits	<u>6,000</u>	
Subtotal		\$30,000

Operating Expenses

Travel	\$3,200	
Materials and Supplies	300	
Printing	500	
Technical Meetings	800	
Postage	<u>100</u>	
Subtotal		4,900

Indirect Costs	<u>15,100</u>	
----------------	---------------	--

Total		\$50,000
-------	--	----------

Required Match: None

Indirect Costs: \$15,100 (50 percent of personnel costs plus two percent of operating expenses)

Comments:

1. The Grant Application Summary, as prepared by the PUC, for this Federal grant is attached. As reflected in the attachment, the application due date was July 31, 1992. The PUC reports that the application for this Federal grant has already been submitted. The proposed legislation includes language in both the body and title stating that the resolution would approve "ratification of action previously taken."
2. A Disability Checklist is in the file.
3. The proposed resolution would authorize \$15,100 for indirect costs based on 50 percent of personnel costs plus two percent of operating costs. Although the body of the proposed resolution refers to the \$15,100 for indirect costs, the title of the proposed resolution should be amended to reflect the \$15,100 for indirect costs.

- Recommendations:**
1. Amend the title of the proposed resolution to refer to the inclusion of \$15,100 for indirect costs.
 2. Approve the proposed resolution as amended.

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: PUC/Bureau of Energy Conservation

Contact Person: John F. Deakin or Doug Johnson Telephone: (415)864-6915

Project Title: Intervention Strategies for Energy Efficient Buildings

Grant Source: Energy Task Force of the Urban Consortium

Proposed ~~New~~ / Continuation) Grant Project Summary:

The Bureau's project proposal for this year of Energy Task Force funding, is to support existing Bureau municipal energy retrofit work through the development of intervention strategies that will influence municipal policy makers, designers, building operators and other decision makers to create and maintain buildings that will perform efficiently throughout their lifespans.

A range of different types of intervention is required at the different stages of a facility's life time; from administrative or policy change to provide for the additional incremental costs of energy efficient design and construction; through specialized technical advice and support for building architects and design engineers; through to training on energy efficient equipment operation for facility maintenance staff. Only through such a program can we hope to capture the energy efficiency \$ savings that may then be used to provide much needed financial support to other presently underfunded public services.

Amount of Grant Funding Applied for: \$50,000

Maximum Funding Amount Available: \$50,000

Required Matching Funds: in-kind associated with existing ongoing projects
acceptable

Number of Positions Created and Funded: One FTE approx.

Amount to be Spent on Contractual Services: None

Will Contractual Services be put out to Bid? N/A

Term of Grant: November 1992 - December 1993

Date Department Notified of Available funds: June 1992

Application Due Date: July 31, 1992

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

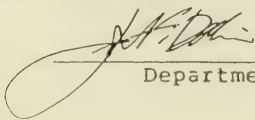
The Urban Consortium Energy Task Force

The Urban Consortium Energy Task Force (UCETF) has the formal mission to develop, apply and transfer and commercialize practical technologies and advanced management techniques that aid effective energy management in America's major cities and urban counties. The participants in UCETF programs endeavor to improve the mix and efficiency of energy use both in local government operations and for the community as a whole.

The program concentrates on three general objectives as defined by the Urban Consortium membership:

- **Definition of urban energy problem(s)** -- identifying critical and common urban needs in energy management and technology that can be addressed through projects led by city or county staff;
- **Support for problem resolution** -- developing and adapting innovative technology and advanced management practices that enhance local staff capabilities, improve financial management, and increase effective private/public cooperation; and
- **Transfer and/or commercialization of successful results** -- evaluating results to generalize, combine and consolidate those results for transfer, commercialization and replication in other cities and counties.

These objectives guide the program's strategic direction and funding priorities. Project proposals will be selected for the 1993 program through an extensive peer review process that will assure consistency with these objectives.



Department Head Approval

Item 1b - File 146-92-2.2

Department: Department of Public Health (DPH),
Community Public Health Services (CPHS)

Item: Request to release reserved funds

Amount: \$9,500

Source of Funds: Robert Wood Johnson Foundation

Project: Child Health Initiative for Immigrant/Refugee Newcomers
(CHIRN)

Description: In February of 1992, the Board of Supervisors authorized the DPH to accept and expend a \$600,000 grant to fund a new program to address the lack of health care access for immigrant or refugee children, also known as "newcomer" children. CHIRN involves a collaborative effort of DPH, the San Francisco Unified School District (SFUSD), and the Department of Social Services (DSS). The Robert Wood Johnson Foundation is supporting pilot projects in eight cities for restructuring the financing and delivery of publicly funded health care service for children. The Board of Supervisors placed \$69,400 on reserve pending identification of contractors. This is a request to release \$9,500 of the \$69,400 on reserve for an Epidemiologist to plan and direct the implementation of survey instruments and procedures to collect health data concerning immigrant/refugee children in San Francisco.

DPH has selected Alan Watahara, PhD for the proposed project for 118.75 hours at \$80 per hour. Because the contract amount is relatively low, the department did not issue a Request for Proposals (RFP), but instead decided to sole source the contract with Dr. Watahara based on recommendations from other epidemiologists. Dr. Watahara has received the Civil Service Commission's preliminary approval pending the release of the reserved funds.

Recommendation: Release the requested \$9,500 in reserved funds.

Item 1c - File 133-92-2.1

Department: Chief Administrative Officer (CAO),
Solid Waste Management Program

Item: Request to release reserved funds for a used oil recycling grant and to provide non-toxic alternative displays at street fairs.

Amount: \$15,000

Source of Funds: Refuse Collection and Disposal Fees Impound Account

Description: During its review of the Solid Waste Management Program's FY 1992-93 budget, the Board of Supervisors placed \$668,850 for professional services on reserve pending information regarding identification of the service providers, estimated hours of service, hourly rates and MBE/WBE status. This is a request to release \$15,000 of the \$668,850 placed on reserve.

The Department reports that \$10,000 would fund two oil recycling grants. Specifically, the Solid Waste Management Program would give \$6,000 to Grand Auto, a private retail automotive parts company, and \$4,000 to S.F. Community Recyclers, a local nonprofit organization, to accept used motor oil from San Francisco residents free of charge at various locations in the Mission, Marina, China Basin and Ingleside Districts. Grand Auto and S.F. Community Recyclers would receive the used oil at no charge and pay for a recycling company to pick up the used oil to recycle for reuse. According to Ms. Maria Trapalis of the Solid Waste Management Program, Grand Auto would not make a profit on the used oil. In fact, Ms. Trapalis advises that Grand Auto would most likely lose money because Grand Auto would have to pay a recycling company to pick up the used oil. The Solid Waste Management Program sent Request for Proposals to 600 organizations and these two organizations were the only respondents. Neither organization is a MBE/WBE.

The remaining \$5,000 would fund a grant for Clean Water Action, a local non-profit organization, to provide displays of non-toxic alternatives for household products at street fairs. In addition, the \$5,000 grant would fund a translation of a non-toxic alternatives chart into Chinese.

Recommendation: Release the requested \$15,000.

Item 1d - File 172-92-14

Department: Public Utilities Commission (PUC)
Municipal Railway (MUNI)

Item: Resolution authorizing the Public Utilities Commission (PUC) to execute a Full Funding Grant Agreement (FFGA) with the Federal Transit Administration for the Municipal Railway (MUNI) Metro Turnback Project.

Description: The proposed agreement would establish \$131,402,500 as the maximum Federal contribution to the Metro Turnback Project. The total estimated cost for the project is \$202,332,364 (attachment). The difference of \$70,929,864 (\$202,332,384 less \$131,402,500) would be contributed from local and regional funding resources, as follows:

State Transit Capital Improvement	\$22,431,900
State Rail Bonds (Propositions 108 and 116)	14,807,282
Bridge Tolls (AB 664 and Regional Measure 1)	8,398,900
S. F. Municipal Railway Improvement Corp. (SFMRIC) (1)	3,357,500
Hetch Hetchy Capital Reserves (2)	269,000
Transit Impact Development Fee (3)	6,250,000
Transportation Sales Tax	15,415,282
Total Local and Regional Funds	\$70,929,864

(1) Approved by SFMRIC on March 1, 1989. Approved by Board of Supervisors as part of local match pool of funds on January 15, 1992 (File 94-91-9).

(2) PUC and Board of Supervisors approvals to transfer funds pending.

(3) Approved by PUC on July 28, 1992. Approved by Board of Supervisors as part of local match pool of funds on September 8, 1992 (File 94-92-7).

PUC is presently undertaking a process to pre-qualify bidders for the overall construction of the project, which is expected to total approximately \$140,000,000. In order to certify the contract, the City Controller has requested the PUC to seek assurances that funds will be available to fulfill the City's obligations under the contract. The subject agreement between PUC and the Federal Transit Administration (FTA) would assure that the Federal government would contribute its share of \$131,402,500 toward the total anticipated \$140,000,000 construction contract and other related costs for the MUNI Metro Turnaround Project. The remaining funds,

which are the local and regional match, have either been approved or assured through negotiations with the Metropolitan Transportation Commission (MTC). MTC has established the MUNI Metro Turnback Project as the San Francisco Bay Region's top ranked priority capital improvement project for available Federal and local funding under its jurisdiction.

The proposed resolution would designate the PUC General Manager, Municipal Railway General Manager, the PUC's Utilities Engineering Manager and PUC Director of Finance to execute the Full Funding Grant Agreement (FFGA) with the Federal government. Further, if the final FFGA requires changes to the current draft, the PUC will report back to the Board of Supervisors for approval of the subject agreement.

Comments:

1. The MUNI Metro Turnback Project would provide for an improved underground train switching and storage facility east of the existing Embarcadero Station at the foot of Market Street, and an extension of the subway to the surface at Folsom Street where the trackway will connect with the MUNI Metro Extension project that will provide Metro service to the CalTrain depot at Fourth and Townsend Streets and to Mission Bay.

2. This project is intended to:

- Accommodate rush hour ridership growth from 11,800 to 13,400 passengers by the year 2007.
- Increase subway train capacity from 20 to 30 trains per hour.
- Decrease headways from 3 to 2 minutes (1 minute with future Automatic Train Control System).
- Improve overall operational efficiency and reliability of the Metro System.
- Extend Metro Light Rail Vehicle (LRV) service to redevelopment areas such as Hills Plaza, South Beach, China Basin and Mission Bay.
- Provide regional rail transit connecting service between the CalTrain depot at Fourth Street and BART at the Embarcadero Station.

3. Mr. Fred Howell of PUC advises that the Federal government generally requires local recipients to set aside from 5 to 10 percent cash reserves for major transit construction projects such as the MUNI Metro Turnback Project. With the approval of the subject agreement, the City forgoes the necessity to reserve up to \$20.2 million (10 percent x \$202,332,384) for the subject project.

4. Prior legislation for the MUNI Metro Turnback Project has reserved Federal and local match funds totaling \$87,767,825 for professional services (\$3,750,000) and construction contracts (\$84,017,825) as follows:

MUNI Metro Turnback Project Funds on Reserve

<u>Board of Supervisors File Legislation</u>	<u>Professional Services</u>	<u>Construction Contracts</u>
94-90-1	\$2,000,000	
94-91-7	250,000	\$5,600,000
94-91-9	1,500,000	33,600,000
94-92-3	-	9,345,825
94-92-6	-	1,672,000
94-92-7	-	<u>33,800,000</u>
Total Reserved Funds	<u>\$3,750,000</u>	\$84,017,825*

* PUC will apply for an additional \$56,000,000 in Federal FTA and local match funds for construction contracts in FYs 1993, 1994 and 1995 which would be assured with the approval of the subject resolution.

Recommendation: Approve the proposed resolution.

LAST REVISED: 10 Aug 92

OPERATOR: San Francisco Municipal Railway
 LEAD AGENCY: San Francisco Public Utilities Commission
 FILE NAME: MMTFUND - PORTRAYED IN LOCAL FISCAL YEAR (JULY 1 TO JUNE 30)

PROJECT NAME AND FUND SOURCE	ALLOCATION AWARD NO.	THROUGH FY91-92	PENDING FY91-92	AWARDED FY92-93	PENDING FY92-93	FY93-94	FY94-95	TOTAL	PERCENT CAPITAL TOTAL
MUNI METRO TURNBACK									
FTA SECTION 3 -- RAIL MODERNIZATION	CA-03-0314	\$626,000	\$0	\$0	\$0	\$0	\$0	\$525,000	0.20%
FTA SECTION 3 -- RAIL MODERNIZATION	CA-03-0352	\$10,072,500	\$0	\$0	\$0	\$0	\$0	\$10,072,500	4.98%
FTA SECTION 3 -- FIXED GUIDEWAY	CA-03-0388	\$0	\$0	\$0	\$31,000,000	\$0	\$0	\$31,000,000	15.32%
FTA SECTION 3 -- FIXED GUIDEWAY	FY93	\$0	\$0	\$0	\$25,000,000	\$0	\$0	\$25,000,000	12.30%
FTA SECTION 3 -- FIXED GUIDEWAY	FY94	\$0	\$0	\$0	\$0	\$30,400,000	\$0	\$30,400,000	15.02%
FTA SECTION 3 -- FIXED GUIDEWAY	FY95	\$0	\$0	\$0	\$0	\$0	\$24,500,000	\$24,500,000	12.11%
FTA SECTION 23 -- INTERSTATE TRANSFER	CA-23-9002	\$1,105,000	\$0	\$0	\$0	\$0	\$0	\$1,105,000	0.55%
FHWA SURFACE TRANSPORTATION PROGRAM	FY93	\$0	\$0	\$0	\$3,400,000	\$0	\$0	\$3,400,000	1.08%
STATE TRANSIT CAPITAL IMPROVEMENT	04AB26-PT	\$195,000	\$0	\$0	\$5,400,000	\$0	\$0	\$5,400,000	2.97%
STATE TRANSIT CAPITAL IMPROVEMENT	04B573-PT	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$5,000,000	0.10%
STATE TRANSIT CAPITAL IMPROVEMENT	04C244-PT	\$2,480,000	\$0	\$0	\$0	\$0	\$0	\$2,480,000	2.47%
STATE TRANSIT CAPITAL IMPROVEMENT	04F253-PT	\$6,888,900	\$0	\$0	\$0	\$0	\$0	\$6,888,900	1.23%
STATE TRANSIT CAPITAL IMPROVEMENT	04F788-PT	\$8,250,000	\$0	\$0	\$0	\$0	\$0	\$8,250,000	2.92%
STATE TRANSIT CAPITAL IMPROVEMENT	FY 92/93	\$0	\$0	\$0	\$1,503,000	\$0	\$0	\$1,503,000	3.09%
STATE TRANSIT CAPITAL IMPROVEMENT	FY 93/94	\$0	\$0	\$0	\$0	\$1,045,000	\$0	\$1,045,000	0.52%
STATE RAIL BONDS -- PROP 103	OUTYEAR	\$0	\$0	\$0	\$0	\$3,125,000	\$0	\$3,125,000	1.54%
STATE RAIL BONDS -- PROP 110	OUTYEAR	\$0	\$0	\$0	\$0	\$11,002,282	\$0	\$11,002,282	5.77%
BRIDGE TOLLS -- AB 864	R00-1503-011	\$500,000	\$0	\$0	\$0	\$0	\$0	\$500,000	0.25%
BRIDGE TOLLS -- REGIONAL MEASURE 1	R91-2207-012	\$5,898,800	\$0	\$0	\$0	\$0	\$0	\$5,898,800	2.92%
BRIDGE TOLLS -- REGIONAL MEASURE 1	FY 82/93	\$0	\$0	\$0	\$2,000,000	\$0	\$0	\$2,000,000	0.99%
S F MUNICIPAL RAILWAY IMPROVEMENT CORP	SMRIC #20	\$3,357,500	\$0	\$0	\$0	\$0	\$0	\$3,357,500	1.00%
HETCH HETCHY CAPITAL RESERVES	RTI 33/001	\$209,000	\$0	\$0	\$0	\$0	\$0	\$209,000	0.13%
TRANSIT IMPACT DEVELOPMENT FEE -- CAPITAL	OUTYEAR	\$0	\$0	\$0	\$0	\$6,250,000	\$0	\$6,250,000	3.09%
TRANSPORTATION SALES TAX -- CAPITAL	FY 01/92	\$0,000,000	\$0	\$0	\$0	\$0	\$0	\$0,000,000	2.97%
TRANSPORTATION SALES TAX -- CAPITAL	FY 02/93	\$0	\$0	\$0	\$1,503,000	\$0	\$0	\$1,503,000	0.77%
TRANSPORTATION SALES TAX -- CAPITAL	FY 93/94	\$0	\$0	\$0	\$0	\$7,852,282	\$0	\$7,852,282	3.00%
TOTAL		\$47,551,800	\$0	\$1,503,000	\$68,383,000	\$60,354,584	\$24,500,000	\$202,332,304	100.00%

Item 2 - File 188-92-1

Note: This item was continued by the Finance Committee at its meeting of October 7, 1992.

Department: Public Utilities Commission (PUC)
Hetch Hetchy

Item: Hearing to consider the fiscal impact of the 1987 contracts with Pacific Gas and Electric and the Modesto and Turlock Irrigation Districts for the purchase and sale of Hetch Hetchy hydroelectric power.

Description: On February 29, 1988, the Board of Supervisors passed Ordinance 87-88 (File 446-87-4.1) which approved long term agreements between Modesto and Turlock Irrigation Districts (MID & TID) and the City and County of San Francisco. The terms of the agreements are from April 1988 to June 2015 or 27 years and three months. Under these long term agreements, the City has agreed to the delivery of Hetch Hetchy hydroelectric power to the Districts including Class 1 loads of the MID & TID (power for irrigation pumping and District municipal purposes) and Class 3 loads (energy resold by the MID and TID to its customers).

Hetch Hetchy is obligated to sell Class 1 power to the MID and TID at cost because of the prior water and hydroelectric power entitlement identified in the Raker Act. Hetch Hetchy sells Class 3 power to the MID and TID at a higher negotiated rate and in accordance with subject agreements. Under the agreements, Hetch Hetchy must provide hydroelectric power demanded by the Districts, above the City's Municipal requirements, up to Hetch Hetchy's "Project Dependable Capacity" (a calculated reliable generation capacity of Hetch Hetchy's hydroelectric generating facilities) at contractually specified rates, regardless of whether Hetch Hetchy is actually generating sufficient power or must purchase additional power from PG&E. Power not used for Class 1 purposes is deemed to be Class 3 power and is paid for at the higher rate. Such rates for Class 3 power purchased from Hetch Hetchy by the Districts are adjusted annually based on regression equations that "smooth" PG&E rate variations over the previous five years.

The City also has a 27 year and three month contract (April 1988 to June 2015) with Pacific Gas and Electric Company (PG&E) for services and supplemental power purchase on an "if and as needed" basis. The prices for supplemental power purchases under the contract are at rates subject to

renegotiation periodically. Actual prices vary depending on scheduling of power purchase and "fuel cost adjustment" factors which increase or decrease PG&E prices depending on short term variations in the cost of fuels used in generating PG&E power.

The contract specifies that Hetch Hetchy will receive **firming** services from PG&E (fixed charges for capacity reserves whether actually used or not by Hetch Hetchy) necessary to support Hetch Hetchy's "Project Dependable Capacity". These "firming services" therefore provide guaranteed power for Hetch Hetchy customers including the City's municipal requirements and the Districts.

Comments:

1. Because the Districts' Class 3 rates are adjusted based on five-year trends in PG&E rates and the City must occasionally purchase power at PG&E rates subject to frequent short term adjustments, there have been instances when the City must purchase supplemental power for the Districts at higher rates than such supplemental power is sold at Class 3 rates.

The Attachment to this report displays monthly power sales data to the Districts since April, 1988. These data were provided by Hetch Hetchy at the request of the Budget Analyst. The table illustrates that over the 51 month period between April 1988 and June 1992, the City has required supplemental power for sales to the Districts during 23 months. In nine of those months, supplemental power has been sold to the Districts at a loss. Over the total 51 months, Hetch Hetchy reports that the net revenue benefit of selling purchased, supplemental power to the Districts is approximately \$1.1 million based on \$15 million in supplemental sales.

According to Mr. Lawrence Klein, Deputy General Manager of Hetch Hetchy, monthly losses due to sales of supplemental power would not have occurred had not the drought resulted in severely curtailed Hetch Hetchy generation necessitating purchase of PG&E power to support both Class 1 and Class 3 power sales to the Districts.

The data shown in the Attachment to this report is summarized below.

**Summary of Hetch Hetchy Power Sales to Districts
April 1988 to June 1992**

	<u>kW-Hrs</u>	<u>\$/kw-Hrs</u>	<u>Revenues (Expenditures)</u>
Districts, Total Class-1 Firm Energy	1,108,874,000	\$0.00808	\$8,959,132
Districts, Total Class-3 Firm Energy	<u>2,345,951,132</u>	<u>\$0.03401</u>	<u>\$79,776,114</u>
Total Class 1 and Class 3 Firm Energy	3,454,825,132	\$0.02568	\$88,735,246
What SF paid PG&E for supplemental power to be sold to the Districts	432,641,240	\$0.03214	(\$13,905,576)
What SF charged Turlock & Modesto for Power purchased from PG&E		\$0.03474	<u>\$15,028,226</u>
San Francisco's net benefit/(cost) for supplemental power purchased from PG&E			\$1,122,650
Total Capacity Reserve Payments to PG&E *			(\$19,061,250)

* Capacity reserve payments also include payments to provide "firming" services for City's Municipal requirements as well as for Modesto/Turlock Irrigation Districts

2. Hetch Hetchy reports that their costs of capacity reserves purchased from PG&E have resulted in a savings over the term of the agreements. Hetch Hetchy's monthly cost to PG&E for a 59,800 kilowatt capacity reserve at a wholesale price of \$6.25 per kilowatt is \$373,750 or approximately \$4.5 million annually. Without such capacity reserve services from PG&E, purchased power and energy would be at a higher cost of \$16.499 to \$17.678 per kilowatt from PG&E according to Hetch Hetchy.

According to Mr. Klein, this is a valid comparison since Hetch Hetchy is precluded from purchasing capacity reserve elsewhere without five years notice to PG&E by the agreement with PG&E, and therefore would have had to pay PG&E rates in that period.

The Budget Analyst notes however, that neither the capacity reserve costs nor the charges for purchased power would be needed if it were not for the provisions of the agreements with MID and TID.

3. The Budget Analyst further notes that the cost of PG&E provision of adequate reserve power to meet Modesto and Turlock Irrigation District demands, up to Hetch Hetchy's "Project Dependable Capacity", would be totally avoidable except for the fact that the provisions of the 1988 agreements with the Districts require Hetch Hetchy to meet such demands and that the demands can only be met through the agreement between Hetch Hetchy and PG&E.

Therefore, if these agreements had not been approved in their present form, Hetch Hetchy would not have incurred the existing capacity reserve costs or incremental costs for purchased power to meet the demands of the Districts for Class 3 power.

If Hetch Hetchy could sell any available hydroelectric power at wholesale rates at least equivalent to rates paid by the Districts for Class 3 power purchases, then Hetch Hetchy would not incur capacity reserve charges of \$19.0 million or net revenues, according to Hetch Hetchy's figures, of \$1.1 million, for purchased power over a 51 month period as it has since April, 1988.

Mr. Klein responds however, that without the firm power supply provided by the PG&E agreement, the City would not have realized equivalent revenue, from either MID, TID or any other long term customer, as has been received from the Districts for Class 3 power. In addition, the City would require some firming services to assure adequate power for the City's municipal load.

4. Therefore, the question of whether the long term power sales agreements with the Districts is in the best interests of the City can only be answered through an investigation of the City's alternatives for the sale of hydroelectric power now provided to the Districts for Class 3 energy consumption (power purchased by the Districts and re-sold to their customers, over and above the Districts' municipal and irrigation pumping needs).

The Budget Analyst has previously requested information from Hetch Hetchy on alternative market opportunities for sale of hydroelectric power and energy. As of the writing of this report, we are informed that the Hetch Hetchy General Manager will provide such information to the Finance Committee at its October 21, 1992 hearing on this matter.

5. Other provisions of the current long term agreements between the City and the Modesto and Turlock Irrigation Districts include:

BOARD OF SUPERVISORS
BUDGET ANALYST

- The full cost of the support charge for PG&E firming services, less \$700,000 paid by the Districts as part of their Class 1 rates, must be paid by Hetch Hetchy. Such services are in effect a guarantee by PG&E to provide sufficient capacity reserves to support the level of power and energy to be provided by Hetch Hetchy.
- The City agrees to meet priorities for delivery of Hetch Hetchy hydroelectric power, as follows:
 - City municipal loads;
 - Class 1 loads of the Districts per requirement of Raker Act;
 - Class 3 power to the Districts (energy resold by the Districts to its customers);
- Excess energy, over and above Hetch Hetchy's "Project Dependable Capacity" is sold to Airport Tenants and Riverbank Army Munitions Plant (operated by Norris Industries).
- The Districts will have the right to purchase either one half of all excess energy or all such energy above the requirements of Airport Tenants.
- The Districts have rights to purchase any increase in future Hetch Hetchy "Project Dependable Capacity" (an agreed minimum generation capacity Hetch Hetchy is able to produce, even in a dry year, approximately 260,000 kilowatts).
- The City's rights to withdraw firm capacity from the Districts, for the City's municipal purposes, after providing five years advance notice.

6. Mr. Klein also advises that the City, under its contract with PG&E, presently has not identified an alternative source to its purchase of capacity reserve other than PG&E. However, Mr. Klein states that the City would be required to give PG&E notice that the City has selected an alternative to its current purchase of energy capacity reserve from PG&E.

Mr. Klein further states that the City has recently become a member of the Western Systems Power Pool (WSPP) which would permit the City to purchase supplemental energy from a WSPP member at a lower rate than the rate charged by PG&E. This has resulted in \$688,000 in savings, as opposed to purchases from PG&E supplemental energy, since July 1, 1992.

Memo to Finance Committee
October 21, 1992

Month/ Year	Districts, Total Class-1 Firm Energy	Districts, Total Class-3 Firm Energy	Board of Supervisors Budget Analyst Request				Hetch Hetchy Water & Power Data Provided in Response to				What SF paid PGE for power to be sold to the Districts				What SF charged Turlock & Modesto for Power purchased				San Francisco's net benefit (cost)			
			\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh	\$/kWh
Apr-88	23,686,000	\$194,154	50,355,150	\$1,987,283	\$373,750			\$0.02722						\$0.02850								
May-88	22,260,000	\$183,312	54,241,480	\$2,107,636	\$373,750			\$0.02850						\$0.02721								
Jun-88	31,900,000	\$266,414	41,267,905	\$1,811,757	\$373,750			\$0.02721						\$0.03116								
Jul-88	35,588,000	\$172,602	41,795,923	\$1,478,379	\$373,750			\$0.02855						\$0.02701								
Aug-88	35,489,000	\$172,122	41,894,901	\$1,458,855	\$373,750			\$0.02855						\$0.02701								
Sep-88	33,691,000	\$163,401	42,922,450	\$1,438,472	\$373,750			\$0.02855						\$0.02701								
Oct-88	23,047,000	\$111,778	48,120,800	\$1,741,971	\$373,750			\$0.02855						\$0.02701								
Nov-88	17,973,000	\$87,169	48,766,800	\$1,818,993	\$373,750			\$0.02855						\$0.02701								
Dec-88	14,077,000	\$65,104	53,483,600	\$1,978,870	\$373,750			\$0.02855						\$0.02701								
Jan-89	14,077,000	\$68,273	52,569,800	\$1,935,634	\$373,750			\$0.02855						\$0.02701								
Feb-89	15,534,000	\$75,374	44,748,000	\$1,721,292	\$373,750			\$0.02855						\$0.02701								
Mar-89	17,122,000	\$83,042	51,963,400	\$1,892,872	\$373,750			\$0.02855						\$0.02701								
Apr-89	24,414,000	\$104,508	45,349,874	\$1,657,280	\$373,750			\$0.02855						\$0.02701								
May-89	24,047,000	\$116,628	47,322,577	\$1,657,537	\$373,750			\$0.02855						\$0.02701								
Jun-89	25,132,000	\$123,850	47,368,040	\$1,609,554	\$373,750			\$0.02855						\$0.02701								
Jul-89	29,310,000	\$133,067	45,606,708	\$1,324,953	\$373,750			\$0.02855						\$0.02701								
Aug-89	28,510,000	\$129,635	50,616,350	\$1,491,001	\$373,750			\$0.02855						\$0.02701								
Sep-89	26,105,000	\$118,267	50,463,850	\$1,422,343	\$373,750			\$0.02855						\$0.02701								
Oct-89	17,889,000	\$81,216	57,794,890	\$1,718,920	\$373,750			\$0.02855						\$0.02701								
Nov-89	14,893,000	\$65,290	58,248,200	\$1,758,278	\$373,750			\$0.02855						\$0.02701								
Dec-89	14,994,000	\$65,435	59,465,505	\$1,783,844	\$373,750			\$0.02855						\$0.02701								
Jan-90	14,825,000	\$67,156	55,614,186	\$1,698,491	\$373,750			\$0.02855						\$0.02701								
Feb-90	14,780,000	\$66,992	48,842,700	\$1,547,854	\$373,750			\$0.02855						\$0.02701								
Mar-90	16,682,000	\$75,777	49,904,758	\$1,569,215	\$373,750			\$0.02855						\$0.02701								
Apr-90	20,930,000	\$95,022	43,005,637	\$1,377,862	\$373,750			\$0.02855						\$0.02701								
May-90	22,854,000	\$104,766	43,304,712	\$1,323,660	\$373,750			\$0.02855						\$0.02701								
Jun-90	22,510,000	\$102,200	48,042,944	\$1,390,416	\$373,750			\$0.02855						\$0.02701								
Jul-90	27,762,000	\$132,337	45,143,000	\$1,371,938	\$373,750			\$0.02855						\$0.02701								
Aug-90	30,139,000	\$167,157	42,765,750	\$1,282,895	\$373,750			\$0.02855						\$0.02701								
Sep-90	28,378,000	\$112,140	48,321,450	\$1,427,679	\$373,750			\$0.02855						\$0.02701								
Oct-90	23,892,000	\$82,817	47,992,900	\$1,420,524	\$373,750			\$0.02855						\$0.02701								
Nov-90	17,718,000	\$189,662	38,194,050	\$1,584,842	\$373,750			\$0.02855						\$0.02701								
Dec-90	15,709,000	\$165,928	60,571,500	\$2,164,946	\$373,750			\$0.02855						\$0.02701								
Jan-91	17,947,000	\$185,028	57,664,050	\$1,108,423	\$373,750			\$0.02855						\$0.02701								
Feb-91	17,700,000	\$199,453	8,758,600	\$322,267	\$373,750			\$0.02855						\$0.02701								
Mar-91	14,783,000	\$155,659	9,111,700	\$167,679	\$373,750			\$0.02855						\$0.02701								
Apr-91	15,415,000	\$160,611	18,407,750	\$373,750	\$373,750			\$0.02855						\$0.02701								
May-91	21,311,000	\$247,381	43,498,245	\$1,352,143	\$373,750			\$0.02855						\$0.02701								

BOARD OF SUPERVISORS
BUDGET ANALYST

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 3 - File 115-92-12

Department: City Planning

Items: Ordinance amending Part II, Chapter II of the San Francisco Municipal Code (City Planning) by adding Section 207.3 to establish a 24-month amnesty period within which one dwelling unit in addition to those permitted in any RH-2, RH-3, RM, RC, NC, C or mixed use zoning district (which unit was constructed prior to January 1, 1992 without benefit of permit) may be legalized, by amending Section 161 to exempt legalized units from the parking requirements, and by adding Section 369 to impose a registration penalty; amending Article 37 of the San Francisco Administrative Code (Residential Rent Stabilization and Arbitration Ordinance) by amending Section 37.2 to name all legalized units subject to Rent Board jurisdiction; amending Part II, Chapter XII of the San Francisco Municipal Code (Housing Code) by amending Section 503 to provide that ceiling heights for legalized units are only required to meet minimum requirements mandated by State law; amending Part II, Chapter I of the San Francisco Municipal Code (Building Code) by adding Section 109 to allow for exemptions from certain code requirements, amending Section 202 to provide that if a density violation is discovered after the expiration of the amnesty period, the property owner shall be liable for the full costs incurred by the City in detecting and abating the violation, and amending Section 332.3 to exempt units legalized during the amnesty period from payment of the work without permit investigation fee; adopting findings pursuant to Planning Code Section 101.1.

Description: The proposed ordinance would amend sections of the City's Municipal Code containing the City Planning Code, Residential Rent Stabilization and Arbitration Ordinance, Housing Code, and Building Code for the purpose of legalizing certain existing dwelling units that are currently illegal. The amnesty period during which such units could be legalized would continue for a 24 month period, beginning at the time the proposed legislation is approved. During this 24 month period, owners of property in higher density residential housing districts would be eligible to receive permits for non-conforming units. Thus, the owner of a three-unit building in an area zoned for two-unit residential use would be able to register the third unit, which would be classified as a legal, non-conforming use if various other safety requirements were met. Units in residential housing districts zoned for single unit homes, heavy commercial districts and industrial districts would not be eligible.

BOARD OF SUPERVISORS
BUDGET ANALYST

The proposed legislation would contain the following provisions:

- Units within the current density limit or with one unit above the density limit could qualify for relief from parking for the illegal unit and relief from local minimum floor-to-ceiling height Building Code standards;
- Legalized units would be subject to the rent increase limitations of the Rent Stabilization Ordinance, which would entitle the Rent Stabilization and Arbitration Board to an annual \$8 administrative fee for each residential unit legalized;
- The Assessor would be notified of the unit, and future assessments of the property would therefore include an additional unit;
- A legalized unit would be required to satisfy applicable Planning Code and Building Code standards for residential use, and Building Permit Applications would be required to be filed within the two year amnesty period;
- The applicant would be required to show evidence that the unit was in existence on January 1, 1992.

A one-time registration penalty would be imposed on property owners, in the amount of \$2,500 if the owner registers during the first year and \$5,000 if the owner registers during the second year, for the following reasons: (a) to fund the City's implementation and administration of the amnesty program; (b) to compensate the City for the loss of property tax revenues that have escaped collection during the years the properties containing illegal units have been underassessed; and (c) to compensate the City and the public for the increased burden on City services and neighborhood amenities.

If a density violation were discovered after the expiration of the amnesty period (ie, if the property owner had not taken the opportunity to legalize his or her unit), the property owner would be liable for the full costs incurred by the City in detecting and abating the violation, according to the proposed legislation. Such costs would be dependent on the nature of the violation and the owner's willingness to comply.

Comments:

1. According to the proposed legislation, it has been estimated that there are 20,000 to 30,000 dwelling units contained in San Francisco buildings that have been constructed without the

BOARD OF SUPERVISORS
BUDGET ANALYST

benefit of a permit. Because these illegal units either were constructed without permits or were not finally inspected, it is likely that a substantial portion of them fail to comply with at least one of the life-safety requirements of the City's Building, Housing and Fire Codes. However, these illegal units constitute a sizeable portion of the City's housing, and moreover, of the City's affordable housing. The proposed legislation would attempt, to the extent possible, to maintain the existing stock of affordable housing, while causing existing illegal units to meet the City's life-safety requirements.

2. San Francisco instituted an amnesty program in the early 1960's that resulted in the legalization of only approximately 200 dwelling units. Daly City, which had a legalization program similar to the proposed Amnesty Program in San Francisco, has legalized approximately 400 units in ten years, or an average of 40 units per year.

3. San Francisco's population is approximately nine times larger than the population of Daly City. If nine times more property owners in San Francisco registered illegal units than in Daly City, then approximately 360 units per year would register, for a total of 720 units over two years. However, Mr. Robert Passmore of the Department of City Planning reports that a recently approved State law requires that property sellers disclose to buyers if a unit is illegal. Mr. Passmore anticipates that this proposed City ordinance would be more effective than Daly City's ordinance because of this State mandated disclosure law, in that more than half of properties changing owners during the two-year amnesty period are anticipated to apply for permits.

4. Based on 360 units the first year, at \$2,500, and 360 units the second year, at \$5,000, revenue from penalties for the proposed legislation are estimated to be \$2.7 million over a two year period. To the extent that more property owners register their units, additional revenue would be generated for the City.

5. According to Ms. Anita Jin of the Tax Collector's Office, apartment building owners who maintain buildings with three or more apartment units must pay a Business License Fee to the City. This Business License Fee varies from \$111.85 to \$404.50 depending on the number of livable rooms, as determined by the housing inspector, Ms. Jin reports. A building owner with a two unit apartment building, seeking to legalize a third unit under this proposed legislation, would be required to pay a Business License Fee. In addition,

BOARD OF SUPERVISORS
BUDGET ANALYST

building owners who already pay a Business License Fee might pay a higher fee if more rooms in the building are classified as livable. Any such Business License Fees would represent new revenue to the City. The Tax Collector's Office cannot project the number of buildings to which the fee would apply or the number of livable rooms in such buildings, and therefore cannot determine the amount of additional revenues which would accrue to the General Fund.

6. Ms. Judy Boyajian of the City Attorney's Office advises that the proposed legislation does not specifically exempt property owners from paying additional property taxes for newly legalized units. According to Mr. Larry Eppinette of the Assessor's office, legalized units not currently registered on the Assessor's tax rolls would be subject to an escaped assessment for property taxes retroactive to the actual date of construction or for the previous eight years, whichever is less. For example, if a business owner constructed an illegal residential unit three years ago, the building would be assessed for uncollected property taxes for the three years in which the illegal unit existed. This would result in the recovery of additional property tax revenue to the City. The Assessor's Office cannot estimate at this time the amount of additional property tax revenue that would be generated.

7. According to Ms. Boyajian, although the proposed legislation does not exempt property owners from paying additional property taxes for newly legalized units, certain neighborhood groups have questioned whether or not the Assessor would be allowed to collect retroactive escaped assessment taxes under the provision of State Proposition 13. Ms. Boyajian advises that the City Attorney's Office has not issued an opinion as to whether such escaped assessment taxes would be permissible. However, assessments would be revised to reflect the addition of a unit for future property taxes, which would result in increased future revenues, whether or not escaped revenues could be collected.

8. In summary, new revenues to the City as a result of the proposed ordinance would consist of the following:

(a) A one-time registration penalty would be imposed on property owners, in the amount of \$2,500 for the first year and \$5,000 for the second year, which is estimated to generate at least \$2.7 million in General Fund revenues over the two year amnesty period;

(b) An annual fee of \$8 per unit to support the Rent Stabilization and Arbitration Board and not the General

BOARD OF SUPERVISORS
BUDGET ANALYST

Fund, resulting in additional estimated revenues of \$2,880 during the first year and at least \$5,760 annually thereafter;

(c) A Business License Fee, which varies from \$111.85 to \$404.50, would be imposed on buildings with two units seeking to legalize a third, and building owners currently paying the Business License Fee might pay a higher amount, resulting in an undetermined amount of additional revenue to the General Fund;

(d) Legalized units not currently registered on the Assessor's tax rolls would be subject to an escaped assessment for property taxes retroactive to the actual date of construction or for the previous eight years, whichever is less, if such escaped assessment taxes are permissible under State Proposition 13, resulting in an undetermined amount of additional revenue to the General Fund;

(e) Increased property taxes in the future as a result of the Assessor being notified of the additional unit, and future assessments of the property therefore including that unit.

The total new revenue would be dependent upon the number and nature of newly registered units.

9. According to the proposed legislation, the legislation is found to be consistent with the Priority Policies of City Planning Code Section 101.1. However, the Planning Commission has not yet taken a position on the proposed legislation. The Planning Commission must make a recommendation, or 90 days must pass, before the Board of Supervisors can take final action on the proposed legislation.

Recommendation: Refer the proposed ordinance to the Planning Commission and continue the proposed legislation until either the Planning Commission makes a recommendation or 90 days have passed.

Item 4 - File 185-92-4

1. The proposed resolution would urge the Mayor to utilize the 1992-93 Children's Services Plan as the foundation for the development of the 1993-94 Children's Services Plan and to continue funding during the next fiscal year, (1993-94), for those community based organizations selected to provide services identified in the 1992-93 Children's Services Plan.

2. Section 6.415 was added to the San Francisco Charter to effect the Children's Amendment approved by the electorate as Proposition J in November, 1991. Section 6.415 requires the Mayor's Office to submit a Children's Services Plan (CSP) for approval of the Board of Supervisors annually by December 31 of each year for the subsequent fiscal year beginning on July 1. Therefore, for fiscal year 1993-94, the Mayor's Office is required to submit a CSP by December 31, 1992.

3. The Children's Amendment to the San Francisco Charter established a new fund, the San Francisco Children's Fund, to be expended exclusively to provide services for children above and beyond services already funded in the City's budget. According to Section 6.415, the CSP shall propose goals and objectives for the fund and designate the City departments that would administer the programs funded. For fiscal year 1992-93 the Children's Fund is \$5.7 million in accordance with the requirements of the Children's Amendment. For fiscal year 1993-94, the Children's Fund is estimated to be \$13.6 million.

4. The Children's Services Plan for fiscal year 1992-93, as approved by the Board of Supervisors in February, 1992, is as follows:

Service Categories

Childcare

Vouchers to Parents	\$550,000	
Day Care Center Subsidies	300,000	
SFUSD Children's Centers	80,000	
Latchkey Programs	246,409	
Respite Care	50,000	
Day Care Technical Assistance	<u>50,000</u>	
Total Child Care		\$1,276,409

Health and Social Services

Public Health Nurse - AFDC Intake	\$22,000
Golden Gate School Health Center	22,000
Neighborhood Preventive Health Team	368,945
Healthy Start Matching Funds	100,000
Mental Health - Health Centers Outreach	149,040
GAIN Teen Program	225,000
Multi-service Family Support	200,000
Homeless Children	75,000
Mental Health - Day Care outreach	140,000
Child Abuse Awareness	<u>50,000</u>

BOARD OF SUPERVISORS
BUDGET ANALYST

Total Health and Social Services	\$1,351,985
<u>Job Readiness, Training, and Placement</u>	
Dropout Prevention	\$244,822
Job Readiness/H.S. or G.E.D.	400,000
Foster Children Vocational Counseling	28,000
Mayor's Youth Employment & Education	400,000
Workrecreation Expansion	64,590
Early Exposure - ages 12-14	<u>50,000</u>
Total Job Readiness, Training, and Placement	1,187,412
<u>Library, Recreation, Delinquency Prevention, Education</u>	
Extended Library Children's Hours	\$321,543
Off-site Library Services	75,000
Age Appropriate Reading Materials	25,000
Rec/Park Youth Services Planner	55,878
Teen Multi-Service Centers	300,000
Tutorials/Peer Support	300,000
Juvenile Detention Diversion	175,000
Special Needs	<u>235,126</u>
Total Library, Recreation, Delinquency Prevention, and Education	<u>1,487,547</u>
Total Service Category Expenditures	\$5,303,353
<u>Administrative Costs</u>	
Additional Personnel	\$265,541
Fiscal/Accounting Services	36,000
Rent, supplies and equipment	32,000
Miscellaneous	<u>14,000</u>
Total Administrative Costs	347,541
<u>Unallocated Revenues</u>	<u>49,106</u>
Total Children's Fund	\$5,700,000

5. Of the \$5.7 million included in the Children's Fund for 1992-93, \$3,275,126 is for contractual services for a full year. Mr. Frank Grimmelmann of the Mayor's Office of Children, Youth and Their Families (MOCYF), reports that the MOCYF will expend an estimated \$3,114,638 from the 1992-93 Children's Fund for contractual services for a nine month period from January 1, through September 30, 1993. The Request For Proposal (RFP) process began on July 1, 1992, and 124 proposals are currently being reviewed. Final selection of the contractors is expected by the end of October, 1992. In addition to the \$49,106 shown above, the \$160,488 difference between the \$3,275,126 included in the 1992-93

CSP and the estimated amount to be expended (\$3,114,638) will be retained in the Unallocated Revenues account for future allocation.

6. In order to maintain continuity in the provision of contractual services by community based organizations, the MOCYF proposes contracting with the same contractors, at the same service levels and at approximately the same amount (estimated at \$3,114,638) in the succeeding nine month period from October 1, 1993 through June 30, 1994 from the estimated \$13.6 million allocation to the Children's Fund for 1993-94. The actual contract amounts for the succeeding nine month period in 1993-94 may differ from the 1992-93 amounts because MOCYF will make the appropriate reductions to recognize one-time start-up costs and other adjustments after an evaluation of actual performance of the original contractors selected. Details of the final contractual services amounts for 1992-93 that will be the basis for the 1993-94 contract estimates and the approximately \$10,485,362 balance of the 1993-94 Children's Fund budget (\$13.6 million less the \$3,114,638 for contractual services) will be included in the Children's Service Plan for 1993-94 that will be submitted to the Board of Supervisors in subsequent legislation.

Comments

1. Although the 1992-93 Children's Plan included \$265,541 for Additional Personnel, the 1992-93 Budget for the Children's Fund includes a total of \$271,929, or \$6,388 more for salary standardization, for five full time positions and fringe benefits.

2. As stated above, 124 proposals from potential outside contractors are currently being considered for contractual services that will begin on January 1, 1993. Final selection of the contractors is expected by the end of October, 1992.

Recommendation

Approval of the proposed resolution is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 5 - File 146-92-52.1

Note: This item was continued by the Finance Committee at its meeting of October 14, 1992.

Department: Department of Public Health (DPH)
AIDS Office

Item: Resolution authorizing the Department of Public Health to accept and expend a continuation grant, which includes indirect costs of \$241,709 based on 20 percent of personnel costs, from the Centers for Disease Control to continue funding the AIDS Surveillance Project.

Grant Amount: \$2,102,567

Grant Period: January 1, 1993 through December 31, 1993

Source of Funds: Federal Department of Health and Human Services,
Centers for Disease Control (CDC)

Project: AIDS Surveillance and Seroprevalence Project

Description: The Board of Supervisors previously approved a resolution (File 146-92-52) authorizing the DPH to apply for a grant of up to \$2.5 million from the CDC to continue funding the AIDS Surveillance Project. The proposed resolution would authorize the DPH to accept and expend this grant of \$2,102,567 to continue funding the AIDS Surveillance and Seroprevalence Project. The AIDS Surveillance Project identified and tracks cases of AIDS through various methods, including surveillance at seven San Francisco hospitals, visits to private physician's offices, routine reporting by physicians and other health care practitioners, death certificate surveillance, and various other sources. The AIDS Surveillance Project collects other information regarding identified AIDS cases, such as the coincidence of other diseases, medical history, and test results. Useful supplemental data is also collected, including census tract, diagnosing hospital, ethnicity, and history of antiviral therapy. AIDS surveillance information is disseminated to community-based organizations, medical centers, medical providers, AIDS organizations, and hospitals.

The Seroprevalence Project estimates the prevalence of HIV infection in San Francisco through surveys. These surveys are designed to estimate the level of HIV infection in various populations and to monitor trends over time. The proposed grant would support surveys to be conducted at various sites throughout the City and in various other counties. 1993 populations to be surveyed including young men who have sex with men, homeless youth, women seeking family planning, and non-injection drug users. In the Bay Area, the counties of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara and Sonoma County would participate in seroprevalence surveys. Seroprevalence data would be used to target and evaluate HIV/AIDS prevention programs.

Required Match: None.

Indirect Costs: \$241,709, based on 20 percent of salary costs.

Project Budget:	<u>Personnel</u>	<u>FTE</u>	
	Sr. Health Programmer	0.2	\$10,414
	Health Program Coordinator III	0.8	36,655
	Epidemiologist III	1.0	63,724
	Epidemiologist II	2.0	97,700
	Epidemiologist I	0.1	4,394
	Sr. Disease Control Investigator	4.0	180,595
	Disease Control Investigator	11.0	490,432
	MIS Specialist III	0.3	12,702
	MIS Technician II	2.7	65,519
	Senior Programmer Analyst	0.5	28,560
	Programmer Analyst	1.0	42,696
	Sr. Microbiologist	1.0	55,252
	Laboratory Helper	0.5	15,264
	Secretary II	1.0	38,569
	Sr. Clerk Typist	1.0	36,480
	Physician Specialist	0.1	11,101
	Social Worker	<u>0.5</u>	<u>18,486</u>
	Subtotal Salaries	27.7	\$1,208,543
	Fringe Benefits at 26 %		<u>314,220</u>
	Total Personnel		\$1,522,763
	<u>Travel</u>		
	Local Travel		13,650
	Out-of-Jurisdiction Travel (mandated trips to funder)		<u>3,600</u>
	Total Travel		17,250

Equipment

Personal Computers		
(3 at approximately \$2,862 each)	8,585	
Software	1,087	
Computer Network Equipment		
(cables, cards, etc.)	<u>2,035</u>	
Total Equipment		11,707

Materials and Supplies

Office Supplies	\$10,143	
Clinical Supplies	3,000	
Laboratory Tests (a total of approx.		
13,000 various HIV tests)	73,383	
Slides	500	
Educational Supplies	1,000	
Furniture	3,570	
Subscriptions	<u>500</u>	
Total Materials and Supplies		\$92,096

Contractual Services

*University of California, Women's Health Centers
San Francisco General Hospital
(see Comment 5)*

Salaries	\$16,500	
Fringe Benefits @ 18%	<u>3,000</u>	
Total Contractual Salaries	19,500	
Materials and Supplies	<u>500</u>	
Total UC Women's Health		20,000

Haight-Ashbury Free Medical Clinics, Inc.

Salaries	16,000	
Fringe Benefits @ 19%	<u>3,000</u>	
Total Contractual Salaries	19,000	
Materials and Supplies	<u>1,000</u>	
Total Haight Ashbury Free Clinics		20,000

*Alameda County, Contra Costa County, San Mateo County,
Sonoma County, Santa Clara County, Marin County
(see Comment 6)*

Salaries	15,000	
Fringe Benefits @ 26%	<u>3,900</u>	
Total Various Counties		<u>18,900</u>

Total Contractual Services		58,900
----------------------------	--	--------

<u>Operating Expenses</u>		
Rent	52,191	
Telephone	24,173	
Photocopy Lease	9,100	
Postage	3,340	
Courier Services	2,000	
Printing	3,300	
Reproduction	4,838	
Advertising	800	
MIS Account	2,500	
National Death Index Fees	3,400	
Incentives for Survey Participants	25,000	
Insurance	<u>\$7,500</u>	
Total Operating Expenses		\$138,142
<u>Recreational Vehicle (RV) Costs</u> (see Comment 3)		
RV fuel, oil, tolls, etc.	2,400	
RV parking	1,100	
RV rental and insurance	<u>14,400</u>	
Total RV Costs		17,900
<u>Training</u>		2,100
<u>Indirect Costs</u>		<u>241,709</u>
Total Project Budget		\$2,102,567

Comments:

1. The proposed grant includes \$241,709 in indirect costs, which is equal to 20 percent of salaries, not including fringe benefits.
2. The proposed grant would be the third year of a five year grant. The proposed grant of \$2,102,567 represents a \$116,455 or 5.9 percent increase over the prior year's grant of \$1,986,112.
3. A portion of the proposed grant would support a Young Men's Study, where DPH personnel would travel in a mobile recreational vehicle (RV) to sites where young men are known to congregate in order to provide HIV testing. Funds to support this RV are included under RV Costs, at a total of \$17,900.

4. The DPH advises that local travel costs, at \$13,650, include 25¢ per mile for use of employee vehicles. Employee vehicles are to be used for surveillance staff to conduct surveillance activities and field investigations, for seroprevalence personnel to travel between project sites, for the Young Men's Survey coordinator to investigate and negotiate multicounty survey sites, and for travel to mobile Young Men's Survey sites.

5. The Young Men's Study is particularly targetting young men who have sex with men, according to the AIDS Office. In addition, the non-injection drug user study and the homeless youth study would capture men who have sex with men within those populations.

6. The University of California (UC), Women's Health Centers, San Francisco General Hospital (SFGH), at \$20,000 for contractual services, would estimate the prevalence of the HIV virus among women attending the abortion clinic at SFGH. The survey would allow the DPH to compare HIV prevalence for women in the abortion clinic with women carrying their pregnancies to term in demographically similar populations.

The Haight Ashbury Free Medical Clinics, Inc., at \$20,000 for contractual services, would estimate HIV seroprevalence among non-injection drug users entering their detoxification program.

According to the DPH, the UC Women's Health Centers and the Haight Ashbury Free Medical Clinics, Inc. were selected on a sole source basis because these organizations have been collecting and analyzing data for the surveys of non-injection drug users and women seeking family planning for the first two years of the project. The funder has mandated that these organizations be retained to complete their survey work. The University of California and the Haight Ashbury Free Medical Clinics are non-profit organizations.

7. Alameda County, Contra Costa County, San Mateo County, Sonoma County, Santa Clara County, and Marin County, at \$18,900, would support personnel from the various counties to assist Young Men's Survey personnel to conduct survey activities in their counties, and would give test results and post-test counseling to survey participants in their respective counties. The various counties were selected on a sole source basis, as they were the county governments in the areas surveyed. These sole source selections are also mandated by the funder, according to the DPH.

8. The proposed grant includes \$11,707 for computer equipment. The DPH has not received authorization from the Electronic Information Processing Steering Committee (EIPSC) for the proposed computer purchase. Therefore, \$11,707 should be reserved pending EIPSC approval.

9. Attached is the Summary of Grant Request, as prepared by the DPH.

10. The DPH has completed a Disability Access Checklist, which is in the file.

Recommendations: Amend to reserve \$11,707 pending EIPSC approval, and approve, as amended.

Item No. Health Commission - Summary of Grant Request

Rev. 4/10/90

Dept of Health and Human Services

Grantor Centers for Disease ControlDivision CO/AIDS DivContact Person Nealeen Austin/Jeff EfiridSection AIDS OfficeAddress 1600 Clifton RoadContact Person Tim PilandAtlanta, GA 30305Telephone 554-9132Amount Requested \$ 2,102,567Application Deadline 8/17/92Term: From 1/1/93 To 12/31/93Notification Expected 10/15/92Health Commission 9/15/92Board of Supervisors: Finance Committee Full Board

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (extension) (renewal) grant in the amount of \$2,102,567 from the period of 1/1/93 to 12/31/93 to provide continued support for AIDS Surveillance Project services.

II. Summary: (Concise summary of need addressed; service or goods served; services and providers)

First year of new three-year project period; funds all HIV/AIDS surveillance and sero-prevalence activities conducted by the AIDS Office; project will include National Death Index Project activities as well beginning this year; please see detailed description of AIDS Surveillance Project activities included in this resolution package.

III. Outcomes/Objectives:

The overall object of this project is to generate meaningful morbidity and mortality data about the nature of this epidemic in order to identify and address HIV/AIDS disease trends and issues.

IV. Effects of Reduction or Termination of These Funds:

Failure to accept and expend these funds would significantly impair our ability to measure and track the AIDS epidemic in San Francisco; failure to accept and expend these epidemiologic research funds would also jeopardize future grant funding.

V. Financial Information:

	Col. A	Col. B	Col. C	Col. D	Rec. Match	Approved by
	Two Years Ago	Past Year/Orig.	Proposed	Change		
Grant Amount	1,685,616	1,986,112	2,102,567	+ 116,455	None	
Personnel	1,112,330	1,393,627	1,522,763	+ 129,136		
Equipment	6,473	18,180	11,707	- 6,473		
Contract Svc.	156,529	156,529	58,900	- 97,629*		
Mat. & Supp.	102,126	102,426	92,161	- 10,265		
Facilities/Space	35,986	35,986	52,191	+ 16,205		
Other	93,678	94,152	123,136	+ 28,984		
Indirect Costs	214,750	221,211	241,709	+ 20,498		

VI. Data Processing

(See column A) 6,473 18,180 11,707 - 6,473

VII. Personnel

F/T CSC	27.40	29.70	27.70	- 2.00
P/T CSC				
Contractual	6.75	6.75	TBD	TBD

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

None

Will grant funded employees be retained after this grant terminates? If so, How?

None

Item 6 - File 97-92-59

Item: Ordinance amending the Administrative Code by adding Section 19A.31 to permit the Department of Public Health to enter into indemnification agreements with the California Family Planning Council enabling the Department of Public Health to participate in family planning services.

Description: Since 1983, Federal funds for family planning services have been administered in California by the California Family Planning Council, Inc. (CFPC), a non-profit corporation. In order to participate in the grant program, the Department of Public Health (DPH) must enter into a written agreement with CFPC concerning the use of the grant funds. The standard agreement used by CFPC, as administrator of the grant funds, includes an indemnification clause which protects CFPC from liability or damages which may result from the City's provision of family planning services under the grant program.

Any proposed agreement which includes an indemnification clause must be approved by the Board of Supervisors, unless authorization to enter into such an agreement is provided in the Administrative Code or other Code.

The proposed ordinance would amend the Administrative Code to provide the Department of Public Health with blanket authority to enter into indemnification agreements with CFPC which would enable DPH to participate in family planning services funded by CFPC. If the proposed ordinance is adopted, DPH would no longer be required to obtain separate approval of the Board of Supervisors to enter into subsequent indemnification agreements with CFPC.

Comments: 1. Mr. Stephen Purser of the Department of Public Health reports that the City will receive approximately \$350,000 in grant funds from the California Family Planning Council during calendar year 1992, representing approximately 30 percent of total annual funding for San Francisco's family planning services.

According to Mr. Purser, CFPC employs a standard form agreement which governs San Francisco's expenditure of family planning grant funds administered by CFPC. The standard form agreement includes an indemnification clause which holds CFPC harmless from any liability which

may result from the City's provision of family planning services under the grant program, according to Mr. Purser.

2. Mr. Purser states that in prior years, agreements between DPH and CFPC have been submitted to the Board of Supervisors for approval because they have contained the indemnification clause. The agreements are submitted separately from the request by DPH to apply for, accept, and expend the grant funds administered by CFPC. Were it not for the indemnification clause, DPH would not be required to submit its written agreement with CFPC to the Board of Supervisors for approval. Rather, execution of the written agreement would be authorized pursuant to the resolution of the Board of Supervisors authorizing DPH to apply for, accept, and expend the grant funds, according to Mr. Purser.

3. The Budget Analyst notes that the Department of Public Health is presently authorized under Section 19A of the Administrative Code to enter into contracts for specified purposes which may include indemnification clauses. Specifically, Section 19A.23, concerning agreements with the University of California for clinical services and training projects, and Section 19A.24, concerning agreements with the San Francisco Community Clinic Consortium for health care services, authorize DPH to enter into contracts which contain indemnification clauses. However, the indemnification clauses presently authorized under these two sections of the Administrative Code limit the City's liability to damages "in proportion to" the extent of its responsibility. In contrast, the standard form agreement with CFPC indemnifies CFPC against claims of any nature "arising from or connected with" the City's family planning services.

4. Ms. Paula Jesson of the City Attorney's Office indicates that by agreeing to indemnify CFPC, the City would be required to defend CFPC and to pay all costs, fees, and damages in any action brought against CFPC with respect to the provision of the family planning services funded by the agreement. Since CFPC is not the direct provider of services, it is unlikely that CFPC would be named as a defendant in any legal action regarding the provision of services, according to Ms. Jesson. However, Ms. Jesson indicates that if CFPC were sued, the City would be required to defend any such action and pay any damages for which liability were established.

5. DPH reports that the City contracts with the University of California at San Francisco (UCSF) to provide the family

planning services funded under the agreement with CFPC. Ms. Jesson states that the standard contractual agreement between the City and UCSF contains a "mutual indemnification" clause in which the City and UCSF agree to indemnify each other, "but only in proportion to and to the extent" that liability "is caused by or results from the negligent or intentional acts or omissions" of that party. As the direct provider of services, UCSF is the most likely defendant in any action claiming injury from the provision of services under the agreement, according to Ms. Jesson. She states that if UCSF has caused any injury in providing these services, UCSF should be liable for the injury under the "mutual indemnification" clause and the City would be protected from the payment of fees, costs, and damages.

6. Ms. Jesson states that if the proposed ordinance is adopted, DPH would be authorized to enter into agreements with CFPC which include the indemnification clause, without obtaining prior approval of the Board of Supervisors. If the proposed ordinance is not approved, DPH would continue to be required to present each proposed agreement with CFPC to the Board of Supervisors for approval, if the agreement contains an indemnification clause.

7. The Budget Analyst notes that the proposed ordinance, which would authorize specific wording for the indemnification clause, does not include the full text of the indemnification clause as it appears in the standard form agreement with CFPC. However, Ms. Jesson believes that the difference between the language of the proposed ordinance and the language of the indemnification agreement with CFPC is minimal and from a legal standpoint will have no practical effect.

8. As previously noted, the grant funds administered by CFPC are Federal funds made available under Title X of the Public Health Services Act. According to Mr. Purser, these funds are subject to new regulations which have recently taken effect which prevent personnel in family planning clinics, other than medical doctors, to provide information to women concerning options to terminate their pregnancies. Mr. Purser indicates that San Francisco's family planning clinics are "minimally" complying with the new regulations but that services to women in San Francisco have not been curtailed due to the new regulations.

Mr. Purser further indicates that the new regulations continue to be the subject of litigation and could be

invalidated at some indefinite future date as the result of the litigation. Mr. Purser also indicates that there is widespread belief that the regulations may be withdrawn by Executive Order of the President after January 20, 1993.

Ms. Jesson states that, in her opinion, the regulations do not significantly increase the City's exposure to potential liability resulting from the provision of family planning services.

9. On October 7, 1992, DPH executed an agreement with CFPC governing the expenditure of grant funds for calendar year 1992. This agreement, which includes the indemnification clause, was submitted by DPH with the request for approval of the proposed ordinance. Since the agreement has already been executed, the proposed ordinance should be amended to apply retroactively to October 1, 1992.

- Recommendations:**
1. Amend the title and the body of the proposed ordinance to indicate that the proposed ordinance would apply retroactively to October 1, 1992.
 2. Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Item 7 - File 51-92-2

Note: This item was continued from the Finance Committee meeting on October 14, 1992.

The proposed item transmits the claims of various City employees for reimbursement for personal property damaged and/or stolen in the line of duty.

Section 10.25-1 of the San Francisco Administrative Code authorizes the Controller to provide reimbursement to City employees to recover part or all of the costs of replacing or repairing equipment or property which has been damaged or destroyed in the line of duty without the fault of the City employees. The Controller recommends reimbursement after reviewing the claim submitted to the Controller, and after reviewing the Department Head's certification to the Controller that the damage occurred in the line of duty and that the amount certified for payment is fair and reasonable.

The proposed eleven employee claims are for the period April, May and June, 1992. Of the eleven employee claims submitted, the Controller's Office has recommended that five claims be denied and four claims be paid at a total of \$729.95. According to the Controller, the remaining two claims which were submitted by two Municipal Railway (MUNI) employees do not require review by the Controller's Office or approval of the Board of Supervisors and can be processed at the departmental level. One of the two MUNI employee claims is covered under a Memorandum of Understanding and the other involves a uniformed employee. Under Section 10.25-5 of the Administrative Code payment of claims to uniformed employees assigned to the Police Department, Fire Department, Sheriff's Department and MUNI, can be made by the Controller when (1) a verified claim has been filed, (2) the department head has certified to the Controller that the amount certified for payment is fair and reasonable and (3) funds are available for the purpose.

Comment

The Controller's Office has certified that funds are available for these employee reimbursements. The source of funds would be Claims and Judgments, General Fund.

Recommendation

Prepare in and report out of Committee a resolution approving the requested reimbursement in the amount of \$729.95.

Date: October 13, 1992

REIMBURSEMENT FOR DAMAGED OR STOLEN PERSONAL PROPERTY OF CITY EMPLOYEES

<u>Department Claimant</u>	<u>Amount Claimed</u>	<u>Amount Recommended</u>	<u>Controllers Comments</u>
<u>Public Works</u>			
John Ayres	265.00	265.00	Auto required for work. No evidence of negligence.
<u>Juvenile Court</u>			
Jacob Davis	295.00	295.00	Damaged apparel in performance of job duties.
Fred Nelson	104.00	105.00	Damaged glasses sustained in performance of job duties.
Joe Berkowitz	64.95	64.95	Loss sustained as part of performance of job duties
<u>Municipal Railway (FUC)</u>			
Duane Silver	1300.00	-0-	Tool losses covered by MOU. Ad. Code does not apply.
Andrew Bass	327.00	-0-	Uniformed employee. Ad Code does not apply.
<u>Superior Court</u>			
Marie L. Park	15.00	-0-	Personal items not required for work.

Public Health

Steven Tessier	215.91	-0-	Damaged clothing due to contributory negligence.
Sheryl Smith	760.00	-0-	Stolen personal effects from auto not required for work. Contributory negligence.
Patrick Fosdahl	325.00	-0-	Stolen jacket not required for job; contributory negligence.
Luizanne Thornley	613.21	-0-	Damaged auto not required for work.

Item 8 - File 47-92-6.1

Department: Real Estate Department

Item: Ordinance approving and adopting St. Mary's Square garage legal documents and authorization for management agreement.

Description: St. Mary's Square garage is a 39 year old City-owned parking facility located at 433 Kearny Street at California Street. St. Mary's Square garage has 828 parking spaces and served approximately 140,000 transient vehicles and between 450 and 500 monthly vehicles in 1991-92.

Under the proposed legal documents, the parking rates to be charged per vehicle parked in the St. Mary's Square garage are as follows:

Hourly Parking-Daytime Rates (attended)
(6 a.m. to 6 p.m. M-F)

<u>Time</u>	<u>Parking Charge</u>
Early Bird (in by 6 am, out by 6 pm)	\$10.00
0-1/2 hour	2.50
1/2-1 hour	4.00
1-1 1/2 hours	5.50
1 1/2-2 hours	7.50
2-2 1/2 hours	9.50
2 1/2-3 hours	11.50
3-3 1/2	13.50
over 3 1/2	17.00

Hourly Parking-Nighttime Rates (unattended)
(6:00 p.m. to 6:00 a.m. M-F; Sundays and holidays)

0-1 hours	\$1.00
1-2 hours	2.50
over 2 hours	4.50

Saturday Rates
(6 a.m. to 6 p.m.)

0-1 hour	\$1.00
1-2 hours	2.50
2-3 hours	4.50
3-4 hours	7.00
4-5 hours	9.00
5-6 hours	11.50
6-7 hours	14.25

over 7 hours

16.50

Monthly Parking

\$260.00 per month (payable on a month-to-month basis only)

Lost Ticket Charge

Maximum rate.

The proposed legislation only approves the legal documents and management agreement as to form and authorizes the Director of Property to seek competitive bids for the management of the St. Mary's Square garage and annex. The actual award of a management agreement will be subject to subsequent legislation to be adopted by the Board of Supervisors.

Comments:

1. Except for nighttime rates, the proposed rates are the same as the current rates. The proposed nighttime rates, as noted above, include a maximum charge of \$4.50 for over two hours. Currently, the maximum nighttime rate is \$10 for over 6 hours, with a rate schedule as follows: 3-4 hours: \$6; 4-5 hours: \$7.50; and over 5 hours: \$10. Mr. Kevin Hagerty of the Parking Authority advises that nighttime rates are proposed to be reduced to encourage people to park in order to shop and eat in Chinatown. According to Mr. Hagerty, the current nighttime parking program is not successful, since many persons are reluctant to pay more than \$5 to park in the evening. The Parking Authority would require that the new operator establish a marketing program for people visiting Chinatown at night and on week-ends. Estimated revenue from the proposed nighttime rates is \$34,800 in gross receipts annually as compared to \$15,600 in gross receipts annually from the existing nighttime rates.

2. Mr. Hagerty advises that the day rates proposed to be charged at St. Mary's Square garage, which are the same as are currently being charged, are somewhat higher than other City-owned parking facilities because St. Mary's Square garage is located in and serves the financial district. Most City-owned and operated garages are located in areas serving retail districts and the rates are lower, Mr. Hagerty reports.

3. Mr. Hagerty advises that the proposed agreement would be different from past agreements, in that the Parking Authority would enter into a management agreement instead of a lease agreement. Under a management agreement, the City would control total gross receipts and

BOARD OF SUPERVISORS
BUDGET ANALYST

pay the garage operator a monthly management fee based on a percentage of gross revenues. Under the current lease agreement, the City receives a monthly fee, or rent, based on a percentage of gross revenues, and the operator controls total gross receipts. For example, under a lease agreement, the City might receive 65 percent of gross revenues from the operator; while under a management agreement, the City might pay an operator 35 percent of gross revenues, and retain the balance of 65 percent.

According to Mr. Hagerty, the proposed management agreement would have no effect on revenue, since it would simply restructure the agreement with no change in the revenue apportionment. Mr. Hagerty reports that this change is proposed in response to advice from the City Attorney's office that a management agreement is more flexible than a lease agreement in that the City could more readily terminate a management agreement with an unsatisfactory operator.

4. The St. Mary's Square garage generated gross annual 1991-92 revenues of approximately \$2,631,806, as follows:

	<u>Amount</u>	<u>Percent</u>
Operator	\$665,519	25.3%
Off-Street Parking Fund	612,389	23.3
Recreation and Parks	845,679	32.1
Parking Tax (General Fund)	<u>508,219</u>	<u>19.3</u>
TOTAL	\$2,631,806	100.0

According to Mr. Hagerty, in conformance with the agreement between the City and the operator, the City received 64.28 percent of gross revenue not including parking tax funds, and the operator received the remainder, or 35.72 percent. Of the 64.28 percent received by the City, the Off-Street Parking Fund received 42 percent, and the Recreation and Parks Department received 58 percent.

5. Mr. Hagerty advises that the operator is responsible for all operating expenses from its 35.72 percent share of total revenues.

6. Mr. Hagerty reports that the previous agreement with the operator of the St. Mary's Square Garage expired September 30, 1992. Mr. Hagerty advises that the contract was not bid competitively prior to the expiration of the contract because the facility requires approximately \$1.2 million in seismic repairs as a result of the 1989 Loma Prieta earthquake. Mr. Hagerty reports that the Parking Authority was unable to

initiate a competitive bid prior to inspection and inventory by the Department of Public Works that would identify the impact on garage operations in ensuing years. According to Mr. Hagerty, the DPW has identified the extent of the required repair work and the Parking Authority is now able to begin a competitive bid. (Mr. Hagerty advises that 30,000 linear feet of cracks in the garage require repair, and some floor slabs need to be replaced. These repairs are scheduled to begin in the fall of 1993.)

7. According to Mr. Hagerty, a month-to-month extension of the previous contract was not extended to the previous operator, Metropolitan Parking Corporation. Prior to the expiration of that contract, the Parking Authority discovered that Metropolitan Parking Corporation's contract was no longer guaranteed by a performance bond, which is obtained from an insurance company, guaranteeing that the company would meet the requirements of the lease. The Parking Authority therefore submitted emergency legislation, which was approved by the Board of Supervisors, to allow the Parking Authority to hire a different operator under the same terms and conditions as the previous operator, Metropolitan Parking Corporation, until such time as a new agreement could be awarded. The Parking Authority anticipates that a new agreement will be awarded by February 1, 1993, based on a competitive bid.

8. Although the Board of Supervisors approved emergency legislation allowing the Parking Authority to enter into an agreement with a different operator, the Board of Supervisors did not specifically approve the present operator, Five Star Parking. The Parking Authority selected Five Star Parking based on Five Star Parking's third lowest bid in the 1985 competitive bid for the St. Mary's Square garage. (The lowest bidder, Metropolitan Parking Corporation, was awarded the contract, and the second lowest bidder turned down the temporary contract offer.)

Recommendation: Approve the proposed ordinance.

Item 9 - File 127-92-9

Department: Board of Permit Appeals

Items: Ordinance amending Part III of the San Francisco Municipal Code (Revenue and Finance/Business Regulations) by amending Section 8 thereof to increase specified Board of Permit Appeals filing fees.

Purpose: Section 3.651 of the City Charter empowers the Board of Permit Appeals (Board) to hear appeals to the issuance, denial, or revocation of any permit or license issued by City departments. Following such hearing and such further investigation as the Board deems necessary, the Board may concur in the action of the City department authorized to administer such license or permit, or, by the vote of four of the five Board members, may overrule the action of such department and order that the permit or license be granted, restored, or refused. The Board's review and appeal powers include those of hearing appeals of determinations made by the Zoning Administrator concerning zoning districts, regulating the use of property in the City, or variances from any requirement of the zoning or set-back ordinances. Part III of the San Francisco Municipal Code (Revenue and Finance/Business Regulations), Section 8, prescribes the method of appeal to the Board of Permit Appeals and provides that a filing fee, in varying amounts depending on the particular permit or license appealed, be paid at the time of such filing. Currently, the Board of Permit Appeals recovers approximately 11.9 percent of its total operating costs through appeal fees and is requesting to increase its cost recovery for those services so that the level of General Fund support may be reduced.

Description: The proposed ordinance would amend Part III of the San Francisco Municipal Code, Revenue and Finance, Section 8, "Method of Appeal to the Board of Permit Appeals," by (1) adding one fee and increasing other existing fees, and by (2) reducing the period during which appeals concerning Zoning Administrator determination decisions can be made from 15 days to 10 days.

The following table shows FY 1992-93 workloads, current and proposed fees, fee increase percentages, and the resulting increase in revenues that would result from the fee increases on an annual basis.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
October 21, 1992

	Number of Permits	Current Fee	Proposed Fee	Percent Fee Increase	Projected Annual Revenue Increase
<u>City Planning</u>					
Variance, Zoning Administrator Determination and Interpretation, and Planning Commission action:	38	\$200	\$400	100.0	\$7,600
<u>Department of Public Works</u>					
Residential Hotel and Apart. Conversion	2	200	350	75.0	300
Building, Demolition, and other Permit	146	100	100	0	0
Imposition of Penalty	103	40	200	400.0	16,480
<u>Police Department</u>					
Denial or Granting of Permit					
Entity	8	150	250	66.7	800
Individual	3	50	100	100.0	150
Revocation or Suspension of Permit	13	150	250	66.7	1,300
<u>Appeal From any Other Decision or Order</u>					
Fire, ISCOTT, Public Health, Recreation and Park, Street Artist	2	100	200	100.0	200
<u>Request for Rehearing</u>	51	30	100	233.3	3,570
<u>Request for Jurisdiction</u>	19	0	100	New Fee	1,900
<u>Photocopy cost, per page</u>	2,056	0.25	0.50	100.0	<u>514</u>
Total Estimated Annual Revenue Increase					<u><u>\$32,814</u></u>

The Board of Permit Appeals was originally budgeted for filing fee revenues of \$30,000 in FY 1992-93, at the existing fee schedule rates. The Board of Permit Appeals estimates that the proposed fee increases would increase Departmental revenues on an annual basis by \$32,814, as shown above, and by approximately \$19,150 for the balance of FY 1992-93, assuming implementation of the new fee by December of 1992. The \$32,814 filing fee increase on an annual basis, which would increase total Departmental revenues to \$62,814, annually, based on current workloads, represents a 109.4 percent average increase over existing fee revenues.

The FY 1992-93 increment of \$19,150 would offset a \$19,000 requirement to reduce the General Fund support in the Department's budget. The \$19,000 revenue increase has been included in the Mayor's revised FY 1992-93 budget as a part of the City's response to the State's reduced level of support to

BOARD OF SUPERVISORS
BUDGET ANALYST

the City, and has been recommended for approval by the Finance Committee.

Actual and estimated revenues and costs of the Board of Permit Appeals for FY 1991-92 and FY 1992-93 are as follows.

**Comparison of Revenues
With Expenditures**

	FY 1991-92 Actuals Based on Existing fees	FY 1992-93 Original Budget	FY 1992-93 Adjusted Budget with Proposed Fee Increases
Board of Permit Appeals Costs	\$259,604	\$253,002	\$253,002
Fee Revenues	<u>25,360</u>	<u>30,000</u>	<u>49,150</u>
Excess of Costs over Revenues	\$234,244	\$223,002	\$203,852
Percent Cost Recovery	9.8	11.9	19.4

As the preceding table shows, the original budgeted percentage of cost recovery from fee revenues for the Board of Permit Appeals for FY 1992-93 was 11.9 percent. Cost recovery figures with the proposed additional \$19,150 fee increase would result in total estimated revenues in FY 1992-93 of \$49,150, or a cost recovery of 19.4 percent. The full year cost recovery under the proposed fee schedule would be 24.8 percent (\$62,814 cost recovery of a \$253,002 budget).

Mr. Robert Feldman, Executive Director of Board of Permit Appeals, reports that the effect of absorbing a \$19,000 budget reduction, which would occur if the proposed fee increases are not approved, would be the layoff of one of the Board's three clerical staffpersons, effective December of 1992. Mr. Feldman states that the resulting workload would be an inordinate burden on the remaining clerical staff.

As previously stated, the proposed legislation would reduce the filing period for appeals of Zoning Administrator determination decisions to 10 days from the current 15 day filing period. The purpose of the amendment is to bring Part III of the Municipal Code into compliance with Charter Section 7.503, which limits the appeal period to 10 days.

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments:

1. The most recent filing fee increase for City permits or licenses was for appeals from the granting or denial of a building, demolition, or other permit (other than residential hotel conversion), which was increased from \$70 to \$100 in August of 1989. The proposed legislation would not increase that fee.

2. Prior to the filing fee increase cited above, all Board of Permit Appeals filing fees were last increased by approximately 33 percent in September of 1988, with the exception of the following:

a. Appeal from the granting or denial of a building, demolition, or other permit, which remained at \$70;

b. Appeal from the imposition of a penalty, which remained at \$40;

c. Requests for rehearing, which remained at \$30.

3. The new appeal fee that would be established by the proposed legislation, "Request for Jurisdiction," in the amount of \$100, would be to compensate the Board for its existing and continuing procedures, including hearings, of determining whether to extend the appeal period from that which is established, for a particular appeal, for reasons of improper notice or other good cause. The "Request for Jurisdiction" fee would be in addition to the basic filing fee, in the event the Board grants the request for jurisdiction.

4. Mr. Feldman reports that the Board of Permit Appeals conducted duly noticed public hearings on the proposed fee increases on September 23 and September, 30, 1992, and that no testimony was presented at either hearing.

5. At the Board of Supervisors Finance Committee meeting of September 30, 1992, during which the amended budget for the Board of Permit Appeals was considered, Mr. Feldman was requested by the Finance Committee to determine existing permit appeal fees in other jurisdictions. The Budget Analyst has reviewed a draft of the fees in other jurisdictions, as compiled by the Board of Permit Appeals, and notes that most of the jurisdictions canvassed provide no appeal process for building permits, if all codes are met, nor for penalties. We also note that fees for variance appeals range from \$25 to \$850. The Board is proposing to increase such fees from \$200 to \$400.

Memo to Finance Committee
October 21, 1992

Recommendation: Based on the prior policy decision of the Finance Committee and in order to keep the budget in balance, approve the proposed ordinance.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 10 - File 156-92-4

Department: Private Industry Council (PIC)

Item: Resolution approving a 1992-93 expenditure plan for refugee employment and training funds and authorizing the President of the Private Industry Council of San Francisco, Inc. to sign, enter into, and execute the State contract.

Description: The Private Industry Council, a non-profit organization, has been designated by the Board of Supervisors to administer refugee funds on behalf of the City (Resolution 1120-87). These funds originate from the Federal Office of Refugee Resettlement and are allocated to the City through the State Department of Social Services. The Refugee Employment Social Services funds (RESS), Refugee Targeted Assistance Program (RTAP) Title VII funds and Mutual Assistance Association (MAA) funds are used to provide employment and training services to refugees who are receiving public assistance. The PIC contracts with community-based agencies for the provision of direct services to the program clients. The State allows the PIC to budget up to 15 percent of the total amount allocated for administrative purposes.

The proposed sources of funds and the expenditure plan for the \$852,781 is as follows:

Sources

RESS Funds	\$428,761
RTAP Funds	395,049
MAA Funds	<u>28,971</u>
Total Refugee Funding	\$852,781

Proposed Expenditures

Contract Functions

PIC Administration (15%)	\$127,917
--------------------------	-----------

Contractual Services:

International Rescue Committee	Case Management, Central Intake Point for Client Assessment, Referral and Tracking	117,481
Career Resource Development Center	Vocational Training and Vocational English as a Second Language	60,000
Third Baptist Church	Employment Services	23,113
Jewish Vocational Services	Employment Services and Referral and Case Management of On-the-Job Training Services	164,000

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Finance Committee
October 21, 1992

<u>Proposed Expenditures</u>	<u>Contract Functions</u>	
Catholic Charities	Employment Services and Referral and Case Management of On-the-Job Training Services	\$196,853
Children's Council of San Francisco	Child Care Services	15,000
Mutual Assistance Association Council	Employment Services	66,152
Transportation and Ancillary Services*		18,636
On-the-Job Training Set Aside * *		<u>63,629</u>
Total		\$852,781

*Ancillary services includes books, clothing, tools or fees needed for a training assignment.

** These funds are used to reimburse employers for up to 50 percent of the hourly rate paid to program participants involved in on-the-job training.

Comments

1. The PIC reports that for 1992-93, a total of 317 refugees will receive services of which 249 or 78.5 percent will be placed in full time and part time jobs.

2. The PIC advises that the State contract has an effective start-up date of July 1, 1992. Therefore, the proposed legislation should be amended to authorize the PIC to enter into the State contract retroactively.

3. Mr. Greg Marutani of the PIC reports that in addition to requesting approval of the expenditure plan and authorization to enter into the State contract, the Agency also intended to request authorization for the acceptance and expenditure of the RESS, RTAP and MAA funds. The PIC advises that an authorization to apply for these funds is not necessary because the refugee funds represent a direct allocation which, unlike a grant, does not require that the Agency submit an application. Therefore, the title and the body of the legislation should be amended to add language which refers to authorizing the acceptance and expenditure of the refugee funds.

4. The proposed 1992-1993 allocation of \$852,781 is \$87,949 or 9.3 percent less than the \$940,730 allocation received for 1991-1992.

5. Attached is a Summary of Grant Request, as prepared by the PIC, for each of the three sets of refugee funds.


BOARD OF SUPERVISORS
BUDGET ANALYST

6. A Disability Access Checklist, which addresses all of the program sites, is included in the Board of Supervisors file.

Recommendations

1. Amend the proposed legislation to (1) authorize the PIC to enter into the State contract retroactively and (2) add language to the title and the body of the legislation which refers to authorizing the acceptance and expenditure of the refugee funds.

2. Approve the proposed legislation as amended.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Jean Mariani
Barbara Kolesar
Ted Lakey

SUMMARY OF GRANT REQUEST

File No.: 156-92-4 (RESS)

Grantor: Refugee Immigration Program Branch/DSS
Contact Person: Pat Patridge
Address: 744 'P' Street
Sacramento, CA 95814

Amount Requested: \$428,761

Term: From: July 1, 1992 to: December 31, 1993

Agency: Private Industry Council of San Francisco, Inc.
Section: N/A

Contact Person: Joyce Crum/Greg Marutani
Telephone: 621-6853

Application Deadline: N/A

Notification Expected: N/A

Board of Supervisors: Finance Committee -
Full Board -

I. Item Description: Request to accept and expend a new allocation grant in the amount of \$428,761 from the period of July 1, 1992 to December 31, 1993 to provide employment and training services.

II. Summary:

To provide employment and training services to refugees receiving public assistance.

III. Outcomes/Objectives:

Training of refugees that leads to employment.

IV. Effects of Reduction or Termination of These Funds:

Reduce services for refugees and increase the financial burden for the City and County of San Francisco.

V. Financial Information:

	Column A Initial	Column B Proposed	Column C Total Grant
Subcontract Services:	N/A	\$364,447	\$364,447
PIC Administration:	<u>N/A</u>	<u>\$64,314</u>	<u>\$64,314</u>
Total:	N/A	\$428,761	\$428,761

VI. Data Processing: N/A

VII. Personnel: N/A

FT/CSC N/A

PT/CSC N/A

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
N/A

Will grant funded employees be retained after this grant terminates? If so, how?
N/A

VIII. Contractual Services: Open Bid XX Sole Source _____

SUMMARY OF GRANT REQUEST

File No.: 156-92-4 (MAA Incentive)

Grantor: Refugee Immigration Program Branch/DSS Contact Person: Pat Patridge Address: 744 'P' Street Sacramento, CA 95814 Amount Requested: \$28,971 Term: From: July 1, 1992 to: September 30, 1993	Agency: Private Industry Council of San Francisco, Inc. Section: N/A Contact Person: Joyce Crum/Greg Marutani Telephone: 621-6853 Application Deadline: N/A Notification Expected: N/A Board of Supervisors: Finance Committee - Full Board -
--	--

I. Item Description: Request to accept and expend a new allocation grant in the amount of **\$28,971** from the period of **July 1, 1992 to September 30, 1993** to provide **acculturation** services.

II. Summary:

To provide acculturation services to refugees by a Mutual Assistance Association organization.

III. Outcomes/Objectives:

To provide refugees with a better understanding of the systems and agencies with which they deal on a daily basis (i.e., health, transportation, law enforcement, education, etc.)

IV. Effects of Reduction or Termination of These Funds:

Reduce services for refugees and increase the financial burden for the City and County of San Francisco.

V. Financial Information:

	Column A Initial	Column B Proposed	Column C Total Grant
Subcontract Services:	N/A	\$24,525	\$24,525
PIC Administration:	<u>N/A</u>	<u>\$4,346</u>	<u>\$4,346</u>
Total:	N/A	\$28,971	\$28,971

VI. Data Processing: N/A

VII. Personnel: N/A

FT/CSC N/A

PT/CSC N/A

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
N/A

Will grant funded employees be retained after this grant terminates? If so, how?
N/A

VIII. Contractual Services: Open Bid X Sole Source _____

SUMMARY OF GRANT REQUEST

File No.: 156-92-4 (RTAP '92)

Grantor: **Refugee Immigration Program Branch/DSS**
 Contact Person: **Pat Patridge**
 Address: **744 'P' Street**
 Sacramento, CA 95814
 Amount Requested: **\$395,049**
 Term: From: **October 1, 1992 to: September 30, 1993**

Agency: **Private Industry Council of San Francisco, Inc.**
 Section: **N/A**
 Contact Person: **Joyce Crum/Greg Marutani**
 Telephone: **621-6853**
 Application Deadline: **N/A**
 Notification Expected: **N/A**
 Board of Supervisors: **Finance Committee**
 Full Board

- I. Item Description: Request to accept and expend a new allocation grant in the amount of **\$395,049** from the period of **October 1, 1992 to September 30, 1993** to provide **employment and training services**.
- II. Summary:
 To provide employment and training services to refugees receiving public assistance.
- III. Outcomes/Objectives:
 Training of refugees that leads to employment.
- IV. Effects of Reduction or Termination of These Funds:
 Reduce services for refugees and increase the financial burden for the City and County of San Francisco.

V. Financial Information:	Column A Initial	Column B Proposed	Column C Total Grant
Subcontract Services:	N/A	\$335,792	\$335,792
PIC Administration:	N/A	<u>\$59,257</u>	<u>\$59,257</u>
Total:	N/A	\$395,049	\$395,049

VI. Data Processing: N/A

VII. Personnel: N/A
 FT/CSC N/A
 PT/CSC N/A

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
 N/A

Will grant funded employees be retained after this grant terminates? If so, how?
 N/A

VIII. Contractual Services: Open Bid XX Sole Source _____

35
590 21
01
10/28/92
CALENDAR

MEETING OF
FINANCE COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

WEDNESDAY, OCTOBER 28, 1992 - 2:00 P.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, MIGDEN, HALLINAN

ABSENT: SUPERVISOR HALLINAN - ITEMS 3 - 5

CLERK: GAIL JOHNSON

NOTE: Copies of the Budget Analyst's Report will be available for review on the counter in the Office of the Clerk of the Board, Room 235, City Hall, 10:00 a.m., the date of the meeting.

1. File 197-92-5. Hearing to consider the final recommendations of the Cultural Affairs Task Force. (Supervisor Hallinan)

ACTION: Hearing held. Continued to December 9, 1992, meeting.

2. File 101-91-38.4. [Release of Funds] Requesting release of reserved funds, Public Library, in the amount of \$106,898, for geotechnical services during construction. (Public Library)

ACTION: Continued to November 4, 1992, meeting.

3. File 38-92-25. [Gift Acceptance] Resolution accepting one gift valued at \$5,480, from Wells Fargo Bank, for publication of the Recreation and Park Department Summer Activities Brochure. (Recreation and Park Department)

ACTION: Continued to November 4, 1992, meeting.

4. File 27-92-10. [Airport - Lease Modification] Ordinance approving Modification No. 1 of land lease between American Airlines, Inc. and the City and County of San Francisco, acting by and through its Airports Commission. (Airports Commission)

ACTION: Recommended.

5. File 47-92-7. [Vallejo Street Garage] Ordinance authorizing the San Francisco Parking Authority, acting on behalf of the City, to terminate the City's lease with Metropolitan Parking Corporation for the operation of the Vallejo Street garage, and to award an interim, temporary operating agreement for operation of such garage until a public bidding procedure for the long-term operation of the garage is completed. (Department of Parking and Traffic)

ACTION: Recommended.

CITY AND COUNTY



Public Library, Documents Dept.
OF SAN FRANCISCO
ATTN: Gerry Roth

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

DOCUMENTS DEPT.

OCT 28 1992

SAN FRANCISCO
PUBLIC LIBRARY

October 26, 1992

TO: *///* Finance Committee
FROM: *///* Budget Analyst *Recommendations*
SUBJECT: *///* October 28, 1992 Finance Committee Meeting

Item 1 - File 197-92-5

1. This item is a hearing to consider the Cultural Affairs Task Force Final Report.

2. The Cultural Affairs Task Force, consisting of 59 representatives from various arts organizations, as well as from the private sector and City government, was created by the Board of Supervisors in March, 1991, to: (1) survey arts funding in San Francisco; (2) study current arts and cultural departments and policies in other major cities in the United States; (3) make recommendations to the Board of Supervisors on how San Francisco can enhance the public process and oversight, and improve the mechanisms by which the City supports the economic health and vitality of its diverse cultural life. The Cultural Affairs Task Force submitted its final report to the Board of Supervisors October 5, 1992. This is a hearing to consider the Cultural Affairs Task Force Final Report.

3. Grants for the Arts (GFTA) is a City organization, funded by Hotel Tax revenues, that provides on-going grant funding to virtually all eligible San Francisco arts organizations that apply for such funding, in proportion to their size. Grants for the Arts funds act as an on-going subsidy. Funds are not granted on a competitive basis, but all eligible applicants receive funding, subject to the availability of funds. The three basic eligibility requirements are as follows: (1) the organization must have 501(c)3 non-profit status or affiliation; (2) the organization must have a two year stable programming history in the area in which it is applying for funding; and (3) the organization must be located in San Francisco.

4. According to Mr. John Kreidler of the San Francisco Foundation, a private nonprofit foundation, and a member of the Task Force, the Cultural Affairs Task Force was formed, in part, in response to criticism of the Grants for

the Arts program by certain members of the arts community. Mr. Kreidler advises that some members of the arts community believed that GFTA funds could be distributed more equitably because: (1) some organizations of comparable size received substantially different grant amounts; and (2) large arts organizations, such as the Exploratorium, the Symphony, the Opera, the Ballet and ACT, by virtue of their size, received a disproportionate amount of GFTA's total funds. These large arts organizations are all Western European in their derivation, leading to allegations that the distribution of GFTA funds was racist. According to Mr. Kreidler, certain GFTA critics believed that funds should be redistributed, not based on size, but based on parity with the racial make-up of San Francisco. Under this distribution, if eight percent of San Francisco's population is African American, then eight percent of GFTA funds should be allocated to African American arts organizations.

5. The Cultural Affairs Task Force established the following recommended principles for the City's arts policy:

- The City should strive to achieve cultural equity;
- All forms of City involvement in the arts should include public participation, such as review panels including members of the public;
- Artistic creativity is a civic good, and its encouragement by government is a fundamental mark of a civilized society;
- Artistic expression is vital to our civic health. The arts and arts education are not luxuries;
- A healthy arts environment thrives at all levels, including individual artists, grassroots and other small and mid-size organizations, and large arts institutions;
- Keeping all the arts in San Francisco should be a priority, since the arts are a major employer in the City.

6. Mr. Kreidler reports that in general, GFTA has been successful in apportioning grants to arts organizations based on size. However, Mr. Kreidler advises that some variation in the grant amount received by comparable organizations does exist. However, any such disparity in grant amounts would be accidental, and not based on the organization's merit, size or seniority. To ensure that organizations of comparable size receive comparable grants, the Task Force recommends that the current GFTA progressive formula, under which small institutions receive a greater percentage of their annual budget than large ones, be changed from a set of categories to a graduated curve. Each organization would receive a grant delineated by this graduated curve, based on the size of the organization. This graduated curve would resemble an income tax table, Mr. Kreidler reports. According to the Task Force's report, this would eliminate sharp drops in funding as organizations grow or shrink incrementally, and would eliminate disparities between organizations of comparable budget size. Ms.

Kary Schulman of Grants for the Arts advises that the implementation of this curve is likely to negatively impact certain small and multi-cultural organizations, which are currently the only organizations that receive funds above the proposed curve.

7. To further ensure that GFTA funds are distributed equitably, the Task Force's report recommends the establishment of a panel including artists and other arts professionals to consider first time applications for Grants for the Arts funding. Currently, applications are considered by an advisory committee consisting of San Francisco artists, arts patrons, and business and community leaders with experience in non-profit and arts management, Ms. Schulman reports. According to Ms. Schulman, if decisions were made by a panel such as that recommended by the Task Force, the process may be slower and more costly to administer. As noted above, GFTA funds are awarded to all eligible applicants, and grant amounts are distributed purely based on a formula, with no discretionary decisions.

8. The Task Force's report recommends that a second grant fund be established to correct the perceived racial and cultural inequities of Grants for the Arts. This fund, to be called the Cultural Equity Endowment, would focus on the following four priorities:

- a. Cultural Equity Initiatives;
- b. Contracts for artwork to individual creative artists in all disciplines;
- c. Project grants to small and midsize arts organizations; and
- d. Facilities acquisition program, or Artspace Initiative.

9. Unlike GFTA, grants from the Cultural Equity Endowment would be made on a competitive basis. Such grants would not act as a subsidy, because grants would not necessarily be on-going. Instead, the Cultural Equity Endowment would make purposeful investments for smaller arts groups which are representative of minority cultures, Mr. Kreidler reports. For example, a group might receive a sum of money to support start-up costs, or to market their work for a limited time. Organizations that receive Cultural Equity Endowment funds would not be ineligible to receive GFTA on-going grants in addition to the competitive grant received from the Cultural Equity Endowment.

10. This proposed Cultural Equity Endowment is targeted to consist of 1.0 percent and 1.5 percent of Hotel Tax funds during the first and second years, respectively, and two percent of Hotel Tax funds thereafter. The Task Force's report assumes that the Cultural Equity Endowment would commence in 1993-94, and that Hotel Tax revenues would increase by five percent annually. Based on these assumptions, and based on FY 1992-93 estimated Hotel Tax revenues of \$55,562,400 in 1992-93 generated from the basic 8 percent Hotel Tax rate, the Budget Analyst estimates that the total dollar amount of the Cultural Equity Endowment would be as follows:

- \$583,405 in FY 1993-94 (one percent of the current estimated revenues plus a five percent increase);

BOARD OF SUPERVISORS
BUDGET ANALYST

- \$918,863 in FY 1994-95 (1.5 percent of the estimated FY 1993-94 revenues plus a five percent increase); and
- \$1,286,408 in FY 1995-96 (two percent of estimated FY 1994-95 total revenues plus a five percent increase. The Cultural Equity Endowment would consist of this two percent of Hotel Tax revenues in perpetuity; the estimated dollar amount would vary in future years based on the dollar amount of Hotel Tax revenues.

Such an allocation would require that an amendment to the City's Hotel Tax Ordinance be approved by the Board of Supervisors. According to the Task Force report, this 1.0, 1.5 and eventually two percent of Hotel Tax Funds would consist of the following:

(i) First, the Task Force requests that \$300,000 be allocated to the Cultural Equity Endowment from "unallocated" Hotel Tax funds. The Budget Analyst notes that all Hotel Tax revenues are allocated based on a formula defined in the Administrative Code, and no unallocated Hotel Tax funds exist. The portion of Hotel Tax revenues deposited to the General Fund supports General Fund activities; and

(ii) Second, to provide the balance of the Cultural Equity Endowment, the Task Force recommends the reduction, in equal parts, of the allocations to the following five recipients:

(1) Moscone Convention Center/Brooks Hall/Civic Auditorium, which currently receives 42 percent;

(2) the Convention and Visitors Bureau, which currently receives 10 percent;

(3) the War Memorial, which currently receives ten percent;

(4) Candlestick Park, which currently receives 6.23 percent; and

(5) the Publicity and Advertising Fund, which currently receives 17 percent.

In FY 1993-94, assuming that \$300,000 from "unallocated" Hotel Tax funds supported a portion of the estimated \$583,405 FY 1993-94 Cultural Equity Endowment, the revenues of these five organizations would be reduced by a total of \$283,405, or \$56,681 each. If \$300,000 from "unallocated" Hotel Tax funds are not allocated to the Cultural Equity Endowment, assuming that the overall percentage goals for the Endowment do not change, the five organizations would support the entire estimated \$583,405 for FY 1993-94, or \$116,681 each. The amounts these five organizations would contribute would increase in FY 1994-95 and FY 1995-96 to support the increase in the Cultural Equity Endowment from 1 percent in FY 1993-94 to 1.5 percent in FY 1994-95 to 2 percent in FY 1995-96 and thereafter.

The Budget Analyst notes that since the Hotel Tax revenues of the five recipients would be reduced by the same dollar reduction to support the Cultural Equity Endowment regardless of the total amount of such funds received by their organization, the impact of this proposed allocation on the five organizations

would vary significantly. For example, based on the formula contained in the Task Force's report to support the Cultural Equity Endowment, each organization's revenues would be reduced by an estimated \$56,681 in FY 1993-94. \$56,681 would represent a 1.6 percent reduction in Hotel Tax revenues for Candlestick Park, which receives the lowest portion of such revenues, but only a .2 percent reduction in Hotel Tax revenues for the Moscone Center.

The Task Force estimates that the dollar amount allocated to these five organizations would not decrease, because the Task Force anticipates that Hotel Tax revenues will increase 5 percent per year in 1993-94, 1994-95 and 1995-96. Instead, the Cultural Equity Endowment funds would come from a reduction in future increases. Assuming the five percent annual increase in Hotel Tax revenues included in the Task Force's report is correct, the Budget Analyst concurs that each of the five organizations would receive increases in the dollar amount of their Hotel Tax revenues. However, the Budget Analyst notes that if the dollar amount of Hotel Tax funds allocated to these organizations does not increase over time, the value of the amount allocated to these organizations would decrease because the value of a dollar decreases over time due to inflation. In other words, expenses for these organizations would go up due to inflation, but if their anticipated revenue increase was allocated to the Cultural Equity Endowment, the organizations would need to identify areas for expenditure reductions.

The Budget Analyst further notes that Candlestick Park Hotel Tax funds are currently entirely allocated to support bond issue debt service. In addition, approximately \$24,121,500 million, or 62 percent of the Moscone Center's approximate total FY 1992-93 budget of \$38,667,000 support the debt service. Any reduction in Hotel Tax funds that now support the debt service for Candlestick Park and Moscone Center would need to be paid from the General Fund, since debt service must be paid.

Finally, the Budget Analyst notes that Hotel Tax revenues will not necessarily increase by 5 percent per year. Hotel Tax revenues are paid by tourists, and tourism generally declines during economic downturns. A 5 percent annual increase is higher than the current rate of inflation. Thus, an assumption that Hotel Tax revenues will increase 5 percent per year assumes that either the number of tourists staying in hotels or the rates charged by such hotels will increase in future years, an assumption that may not be realized because of the current economic recession. Historically, the 8 percent of the total 11 percent Hotel Tax has generated the following actual revenues:

<u>FY</u>	<u>Amount</u>	<u>Percent Increase</u>
1987-88	\$44,357,994	n/a
1988-89	48,810,018	10.0 %
1989-90	46,120,913	(5.5)
1990-91	50,588,835	9.7
1991-92	52,389,209	3.6

As demonstrated by actual revenues over the past five years, Hotel Tax revenues are inconsistent. In 1989-90, Hotel Tax revenues actually decreased 5.5 percent from the prior year. Most recently, revenues were less than the 5 percent annual increase estimated by the Task Force.

(iii) Third, the Task Force recommends a 50 percent reduction of the .5 percent of Hotel Tax Funds now assigned to the Unanticipated Events Fund, and the allocation of this .25 percent to the Cultural Equity Endowment. The Task Force's Report appears to recommend that this .25 percent would be in addition to the 1 percent, 1.5 percent, and 2 percent goals noted above. Ms. Schulman advises that GFTA generally expends all its Unanticipated Events funds either for City events, such as parades for successful professional sports teams, or for special events such as multi-cultural initiatives sponsored by small and medium sized arts organizations.

11. According to Ms. Joanne Chow Winship, Director of the Arts Commission, the Arts Commission was recommended as the agency to administer the Cultural Equity Endowment. Ms. Winship advises that because of the nature of the proposed Cultural Equity Endowment, the Endowment would be expensive to administer. According to Ms. Winship, the Task Force envisioned a decision-making process involving a great deal of public input. In addition, grants to individual artists, which would include sample artwork, require that applications be inventoried and artwork be returned. These activities increase costs, so that approximately 20 percent of the Cultural Equity Endowment would be required to support administrative costs, Ms. Winship estimates.

12. The Task Force recommends the restoration of the Arts Liaison position in the Mayor's Office. This Arts Liaison position was eliminated by the Mayor in the FY 1992-93 budget, resulting in a lay-off. The FY 1992-93 salary range for this Arts Liaison position, a Mayor's Assistant III, is \$47,659 to \$50,008 plus fringe benefits. According to the Task Force's report, 23 City organizations provide arts services, and each of these 23 organizations has entirely separate policies and procedures. Without a coordinating organization or individual, according to Mr. Jeff Jones, arts fundraiser and Task Force member, duplication of services may occur and arts resources may not be fully utilized.

13. The Task Force recommends that, in addition to the Cultural Equity Endowment, GFTA funds should be increased by two percent. The Task Force recommends that such an increase be funded beginning in 1995, when the Candlestick Park revenue bonds have been retired, using a portion of the 6.23 percent of Hotel Tax funds currently allocated to Candlestick Park.

14. The Task Force recommends that a General Obligation bond issue be placed on the ballot in 1994 to support the capital improvement and infrastructure needs of the Neighborhood Cultural Centers. Mr. Jones advises that several recent propositions have proposed bond issues for capital improvements to Davies Symphony Hall and the Opera House. The Task Force recommends that any future General Obligation bond measures relating to arts issues include the Neighborhood Cultural Centers. The Task Force further recommends that

BOARD OF SUPERVISORS
BUDGET ANALYST

adequate maintenance of the Neighborhood Cultural Centers become a line item in the City budget. The Task Force did not specify a funding source for this proposed line item. These recommendations address the Task Force's concern with cultural and racial equity.

15. The Task Force's report recommends that the Board of Supervisors request an independent study of the War Memorial Performing Arts Center to determine whether economies can be realized in the administration of the Performing Arts Center. Mr. Jones reports that duplication of effort may exist between the War Memorial administration and the administration of the San Francisco Symphony and Opera. Ms. Beth Murray of the War Memorial advises that the War Memorial must have a separate administration from the Symphony and the Opera, since the War Memorial is a Charter mandated department, while the Symphony and the Opera conduct businesses entirely separate from the City.

16. Mr. Jones further reports that the Symphony and Opera pay 22¢ per square foot for office space in Davies Symphony Hall and the Opera House, which is well below the fair market value for civic center office space. Ms. Murray advises that the Symphony and Opera pay lower office rental rates because those organizations paid for the conversion of unusable space into office space, creating capital improvements which benefit the City at no cost to the City. The War Memorial is therefore collecting rent for space that was not previously usable. The low rents paid by those organizations are, in part, in exchange for the cost of capital improvements.

17. The Task Force recommends that the Board of Supervisors consider the recommendations for better planning and community outreach by the Yerba Buena Center for the Arts that are contained in a recent report by Melanie Beene and Associates which was commissioned by the San Francisco Redevelopment Agency. This report made a number of recommendations, in the following areas: Mission Statement; Facilities; Programs; Marketing and Audience Development; Public, Community and Constituent Relations; Governance; Management; and Budget Projections. The Redevelopment Agency has established an Action Plan in response to the recommendations contained in the Melanie Beene and Associates report.

18. The Task Force recommends that Proposition J Children's Fund monies be allocated to an Arts Education Program. According to Section 6.415 of the Charter, services eligible for Children's Fund monies are limited to child care; job readiness, training and placement programs; health and social services; educational programs; recreation; delinquency prevention; and library services. Arts and cultural activities are not specifically included in this list of eligible programs, but certain arts and cultural activities may fit into the eligible categories, such as education, recreation, or job training. For example, an Arts Education Program, such as the one requested to be funded, would most likely fit under the category of educational programs. Mr. Jones advises that the Task Force recommends that the definition of eligible services be expanded to include

arts and cultural activities. Such an expanded definition would require a Charter amendment.

19. According to the Task Force's report, the Task Force was unable to complete its survey of funding for the arts in San Francisco. The Task Force therefore recommends that the Board of Supervisors direct the Budget Analyst to survey and analyze all City arts funding in order to obtain an accurate picture of how the City spends its arts dollars.

20. In general, the portion of the Task Force's report regarding funding is focused on the creation of a Cultural Equity Endowment to be funded from a reallocation of Hotel Tax revenues. However, as mandated by the original legislation, the report does not provide an overall picture of current or potential sources of funding for San Francisco arts and cultural activities. In addition, the report does not contain a comparison of San Francisco arts activities to such activities in other major cities.

21. The Cultural Affairs Task Force Final Report was unanimously approved by the Cultural Affairs Task Force, with one abstention.

Item 2 - File 101-91-38.4

Department: Public Library

Item: Request for release of reserved funds for geotechnical services during construction of the new Main Library

Amount: \$106,898

Source of Funds: 1988 Library Improvement Bonds

Description: The Board of Supervisors has previously approved a supplemental appropriation (File 101-91-38) in the amount of \$4,015,003 for project services related to the construction of the new Main Library. Of the \$4,015,003 appropriated, a total of \$1,529,805 was placed on reserve pending selection of contractors and determination of the MBE/WBE status of the contractors and contract cost details. Of the \$1,529,805 originally placed on reserve, a total of \$549,772 has previously been released by the Finance Committee, leaving a balance of \$980,033 on reserve.

The balance of \$980,033 in reserved funding includes \$120,000 for geotechnical services consulting. This item is a request to release \$106,898 of the \$120,000 reserve for geotechnical services.

The geotechnical services consultant would 1) monitor the excavation activities for the new Main Library to determine that the actual soil conditions encountered during excavation are compatible with the design requirements by performing and evaluating soil density tests, 2) review and approve the shoring design submitted by the construction contractor, 3) observe excavation in preparation for the foundation and 4) monitor the pile driving associated with shoring and foundation work.

The geotechnical consulting firm of Geo/Resource Consultants, Inc., was retained by the construction management contractor, O'Brien Krietzberg, as a subcontractor to assist in preparation of the Environmental Impact Report. According to Mr. Russ Abel of the Department of Public Works, Bureau of Architecture, in order to maintain continuity of professional responsibility throughout the construction of the new Main Library, it is desirable to utilize the same geotechnical consultant for all phases of the planning, design and construction of the new Main Library. Therefore, Geo/Resource Consultants, Inc., will continue as the geotechnical consultant subcontractor

BOARD OF SUPERVISORS
BUDGET ANALYST

under the prime contractor, O'Brien Krietzberg, for the new Main Library construction project.

Geo/Resource Consultants, Inc., is a local business but is not an MBE or WBE firm. Geo/Resource Consultants, Inc., has estimated the costs for their services totaling \$106,898, as follows:

Professional Services:		
Principal Engineer (90 hours @ \$135 per hour)		\$12,150
Project Engineer (220 hours @ \$70 per hour)		15,400
Staff Engineer (548 hours @ \$65 per hour)		35,620
Support Staff (74 hours @ \$40 per hour)		2,960
Other Professional Services		<u>3,050</u>
Total-Professional Services		\$69,180
Sub-Subcontracts:		
Shoring Review and Soil Observation	\$20,000	
Indicator Piles	<u>8,000</u>	
Total-Subcontracts		<u>28,000</u>
Total - Geo/Resource Consultants, Inc.		\$97,180
O'Brien Kreitzberg administration of Geo/Resource Consultants, Inc., subcontract (10 percent per master agreement)		
		<u>9,718</u>
Total Requested Release of Reserve		\$106,898

Comment: As of the writing of this report, Mr. Abel was not able to provide the Budget Analyst with details of the Other Professional Services of \$3,050 or the Sub-Subcontracts costs totally \$28,000 and, therefore, requests that this release of reserved funds be continued for one week.

Recommendation: Continue the proposed release of reserved funds for one week as requested by the Bureau of Architecture.

Item 3 - File 38-92-25

Department: Recreation and Park Department

Item: Resolution accepting a cash gift of \$5,480 from Wells Fargo Bank, for publication of the Recreation and Park Department Summer Activities Brochure.

Amount: \$5,480

Description: The Recreation and Park Department reports that Wells Fargo Bank has donated a \$5,480 cash gift to fund the publication of the Department's 1992 summer activities brochure. The Recreation and Park Department advises that the \$5,480 donation, which has already been accepted and expended by the Department, helped to fund the publication of approximately 70,000 brochures, which were distributed to San Francisco schools, libraries and community agencies. The total cost of these brochures was \$13,882 with the balance of \$8,402 funded by General Fund monies (\$5,402), Pier 39 (\$2,000) and McKesson Foundation (\$1,000).

According to Ms. Diane Palacio, of the Recreation and Park Department, the \$5,480 charitable donation by Wells Fargo Bank represented a good will effort on the part of the bank.

Comments:

1. As noted above, the Department has already accepted and expended the \$5,480. Therefore, the proposed legislation should be amended to authorize the Department to accept the gift retroactively. Ms. Palacio advises that the Department did not previously request authorization from the Board of Supervisors for the acceptance of this gift due to an unintentional administrative oversight.
2. The Department is not requesting authorization to accept the \$2,000 from Pier 39 and the \$1,000 from McKesson Foundation because under Administrative Code Section 10.116, the Board of Supervisors authorizes City departments to accept cash gifts which do not exceed \$5,000.

Recommendation: Amend the proposed resolution to authorize the Department to accept the gift retroactively, and approve the resolution as amended.

Item 4 - File 27-92-10

Department: Airport

Item: Ordinance approving modification No. 1 of land lease between American Airlines Inc. and the City and County of San Francisco, acting by and through its Airports Commission.

Description: The Airport reports that American Airlines, under a lease agreement with the City, occupies 57.44 acres of land (Plot 40) located at the eastern portion of the Airport adjacent to the bay. This land is used by American Airlines for aircraft maintenance. The maintenance facility was built with construction bonds issued by the San Francisco Airport Improvement Corporation, a nonprofit corporation. In order to secure the bond financing of this facility, American Airlines assigned the lease of this property to San Francisco Airport Improvement Corporation. The Corporation in turn subleased the property along with any facility and improvements back to American Airlines. Under the terms of the lease, which expires November 11, 1999, American Airlines currently pays the Airport rent in the amount of \$20,000 per acre per year or \$1,148,800 per year for the entire Plot. The lease has one ten-year option for renewal. At the end of the lease, the Airport will own the maintenance facility.

The Airport advises that there is a need to expand its Fire House No. 2 facility which is located adjacent to Plot 40. According to the Airport, the present site of the facility is not sufficient in size to accommodate the necessary expansion.

The Airport, with the concurrence of the Federal Aviation Administration (FAA), has identified a portion of Plot 40 composed of 4.72 acres that is suitable for the proposed expansion of its Fire House No. 2. American Airlines, at its sole cost, has constructed only minor improvements on the 4.72 acre area, consisting of a small paved area used as a parking lot for its support vehicles. The Airport advises that American Airlines has agreed to relinquish the 4.72 acres and the San Francisco Airport Improvement Corporation has concurred.

The proposed ordinance would modify the lease between American Airlines and the Airport to reduce the area of space leased by American Airline for Plot 40 by 4.72 acres from 57.44 acres to 52.72 acres, resulting in American Airlines' relinquishment of the 4.72 acres to the Airport.

BOARD OF SUPERVISORS
BUDGET ANALYST

Additionally, with the reduction in the amount of space being leased, American Airlines' annual rental would be reduced by \$94,400 annually (4.72 acres x \$20,000), from \$1,148,800 to \$1,054,400 annually. All other terms and conditions of the lease would remain in full force and effect.

Comments:

1. The Airport advises that as a condition of American Airlines relinquishing the 4.72 acres to the City, the City will provide, at its sole expense, a replacement paved area for American Airlines' support vehicles on an unimproved area of Plot 40 which is mutually agreed to by both parties. The Airport estimates that the cost to install the paved area would be approximately \$10,000 and will be paid for by Capital Project funds included in the Airport's 1992-1993 budget.

2. The Airport reports that the \$94,400 reduction in the annual rental paid by American Airlines to the Airport will have no net effect on the Airport's budget because the Airport will be leasing additional space to other airlines this fiscal year which will generate sufficient revenues to offset the \$94,400 in revenues lost as a result of the proposed lease modification.

Recommendation: Approve the proposed ordinance.

Item 5 - File 47-92-7

Department: Department of Parking and Traffic

Item: Ordinance authorizing the San Francisco Parking Authority, a division of the Department of Parking and Traffic, acting on behalf of the City, to terminate the City's lease with Metropolitan Parking Corporation for the operation of the Vallejo Street garage, and to award an interim temporary operating agreement for operation of such garage until a public bidding procedure for the long-term operation of the garage is completed.

Description: The Vallejo Street garage is a City-owned parking facility located at Vallejo Street between Stockton and Powell. The Vallejo Street garage has 163 parking spaces.

According to Mr. Kevin Hagerty of the Parking Authority, the Parking Authority has discovered that the lease of the current operator of the Vallejo Street Garage, Metropolitan Parking Corporation, is no longer guaranteed by a performance bond. A performance bond is a guarantee, obtained from an insurance company, that a company will meet the requirements of a lease. The lease with Metropolitan Parking Corporation stipulates that the contractor must have a performance bond. Therefore the contractor is out of compliance with its lease. Also, without a performance bond, the Parking Authority has no assurance that the terms of the lease will be fulfilled. The Parking Authority is therefore requesting authorization to retain a different operator under the same terms and conditions as the current operator until such time as a new agreement could be awarded.

According to Mr. Hagerty, the interim operator would be selected based on the Parking Authority's most recent competitive bid for the Vallejo Street Garage. The most recent competitive bid was conducted in 1989. City Parking Company was the second place bidder after Metropolitan Parking Corporation. Mr. Hagerty advises that City Parking Company has indicated a willingness to operate the Vallejo Street Garage on an interim basis, under the same terms and conditions as the current lease. This interim agreement would begin as soon as the Board of Supervisors approves the proposed ordinance, and continue until a new agreement is awarded based on a competitive bid. The Parking Authority anticipates that such a new agreement will be established by April, 1993, based on a competitive bid.

Comments:

1. The specific interim agreement between the Parking Authority and the interim operator would not be subject to separate approval by the Board of Supervisors, Mr. Hagerty advises. However, as previously noted, the new agreement that is estimated to be completed in April, 1993, based on a new competitive bid, would be subject to separate approval by the Board of Supervisors.

2. According to the Parking Authority, under the current terms and conditions of the lease, Metropolitan Parking Corporation receives 29.72 percent of gross receipts not including Parking Tax funds, and the City receives 70.28 percent. The operator must support all of its operating expenditures from its share of gross receipts, Mr. Hagerty advises.

3. According to Mr. Hagerty, the Parking Authority notified Metropolitan Parking Corporation, in writing, 30 days in advance, that Metropolitan Parking Corporation would be required to provide a performance bond by October 10, 1992, in conformance with the lease. Metropolitan Parking Corporation elected not to provide such a performance bond, according to Mr. Hagerty.

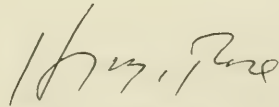
4. The current agreement with Metropolitan Parking Corporation expires in March, 1994, Mr. Hagerty reports. On October 6, 1992, after Metropolitan Parking Corporation was notified that it would need to provide a performance bond, Metropolitan Parking Corporation gave six months written notice to terminate the lease. However, Mr. Hagerty reports that terminating the lease does not nullify the requirement that Metropolitan Parking Corporation provide a performance bond. The Parking Authority is requesting authorization to retain an interim operator so that the lease with Metropolitan Parking Corporation can be terminated immediately.

5. It should also be noted that Metropolitan Parking Corporation currently owes the City \$3,870,773 in delinquent Parking Taxes. Metropolitan Parking Corporation has agreed to pay the City \$300,000 prior to January 15, 1993, \$110,000 per month from January 15, 1993 to January 14, 1994, and \$125,000 per month thereafter until the debt is paid with interest, according to Mr. Robert Fletcher of the City Attorney's Office.

6. Currently, neither the selection of contractors to operate City-owned garages nor the leases themselves include mechanisms for enforcing the payment of City Parking

Taxes. According to Mr. Hagerty, the Parking Commission passed a resolution at its October 20, 1992 meeting to introduce legislation to the Board of Supervisors allowing the Department of Parking and Traffic to receive information from the Tax Collector's Office on whether or not contractors are paying Parking Taxes, as required. Mr. Hagerty advises that all new leases will contain a provision that make non-payment of Parking Taxes cause for termination of the lease after 30 days. In addition, the Parking Authority has instituted a mechanism whereby contracts are awarded only if contractors have fully paid all of their debts to the City, including their City Parking Tax obligations, subject to the receipt of information from the Tax Collector's Office.

Recommendation: Approve the proposed ordinance.



Harvey M. Rose

cc: Supervisor Gonzalez
Supervisor Migden
Supervisor Hallinan
President Shelley
Supervisor Achtenberg
Supervisor Alioto
Supervisor Britt
Supervisor Conroy
Supervisor Hsieh
Supervisor Kennedy
Supervisor Maher
Clerk of the Board
Chief Administrative Officer
Controller
Jean Mariani
Barbara Kolesar
Ted Lakey

2

